



State of Nevada

DEPARTMENT OF TAXATION

ANNUAL REPORT

Fiscal 2009 - 2010



STATE OF NEVADA
DEPARTMENT OF TAXATION

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BRIAN SANDOVAL
Governor

ROBERT R BARENGO
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DINO DICIANNO
Executive Director

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January 15, 2011

The Honorable Brian Sandoval
Governor of Nevada
Executive Chambers
Carson City, Nevada 89710

Dear Governor Sandoval:

Pursuant to the provisions of NRS 360.100, the Department of Taxation submits herewith the Annual Report for the fiscal year ending June 30, 2010. During 2009-10, gross revenues and distributions changed in the following amounts.

Revenues	2008 - 2009	2009 - 2010	Increase/ (Decrease)	Percent Change
Sales and Use Taxes	\$ 844,083,850	\$ 757,594,646	\$ (86,489,204)	-10.25%
Local School Support Tax	919,621,260	968,975,242	49,353,982	5.37%
City/County Relief Tax	919,301,745	840,943,521	(78,358,224)	-8.52%
Local Option Taxes	439,722,982	401,635,601	(38,087,381)	-8.66%
Intoxicating Beverage Taxes	40,822,205	42,564,391	1,742,186	4.27%
Cigarette Tax and Fees	111,144,773	101,471,634	(9,673,139)	-8.70%
Other Tobacco Products	9,140,387	9,574,952	434,565	4.75%
Estate Tax	466,994	103,739	(363,255)	-77.79%
Lodging Tax	18,163,309	111,513,747	93,350,438	513.95%
Net Proceeds of Minerals Tax	145,449,950	168,695,319	23,245,369	15.98%
Centrally Assessed Property Tax	75,926,025	84,987,619	9,061,594	11.93%
Business Tax	3,228	8,381	5,153	159.63%
Insurance Premium Tax *	238,622,626	227,959,135	(10,663,491)	-4.47%
Tire Tax **	1,631,512	1,655,033	23,521	1.44%
Government Services Fee	39,927,181	45,258,487	5,331,306	13.35%
Bank Excise Tax	3,131,495	3,378,900	247,405	7.90%
Business License Fee	22,516,702	4,417,943	(18,098,759)	-80.38%
Live Entertainment Tax	9,162,269	11,475,519	2,313,250	25.25%
Modified Business Tax	277,516,292	385,119,708	107,603,416	38.77%
Real Property Transfer Tax	65,922,452	53,315,435	(12,607,017)	-19.12%
Total	<u>\$ 4,182,277,237</u>	<u>\$ 4,220,648,952</u>	<u>\$ 38,371,715</u>	<u>0.92%</u>

* Insurance Premium Tax Revenue and State General Fund Distributions for fiscal year 2008-2009 were increased by \$98,527.62 to include Retaliatory Tax, which was inadvertently omitted from last year's report.

** Tire Tax Revenue and Other Distributions for fiscal year 2008-2009 were reduced by \$25.00 from last year's report due to a reporting error.

Distributions	2008 - 2009	2009 - 2010	Increase/ (Decrease)	Percent Change
State General Fund	\$ 1,719,328,384	\$ 1,814,646,394	\$ 95,318,010	5.54%
State Distributive School Fund	93,575,531	86,190,829	(7,384,702)	-7.89%
Local Governments	2,334,678,537	2,288,029,085	(46,649,452)	-2.00%
Other Distributions	24,837,695	21,062,875	(3,774,820)	-15.20%
Estate Tax Reserve, Endowment and Trust Funds	466,994	103,739	(363,255)	-77.79%
State Debt Service Fund	9,390,096	10,616,030	1,225,934	13.06%
Total	<u>\$ 4,182,277,237</u>	<u>\$ 4,220,648,952</u>	<u>\$ 38,371,715</u>	<u>0.92%</u>

Sincerely,



Dino DiCianno
Executive Director

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



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.

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

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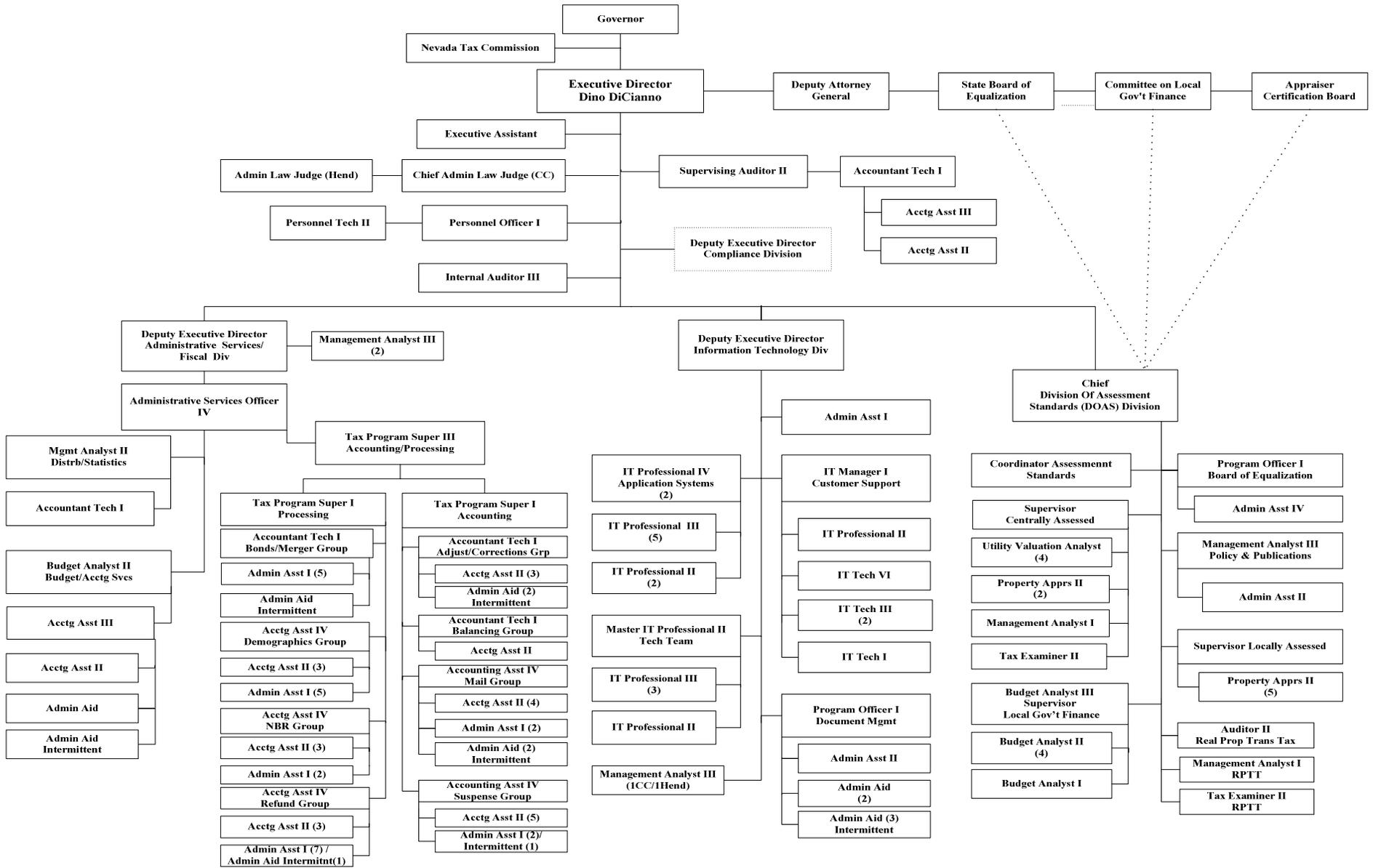
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DEPARTMENT OF TAXATION

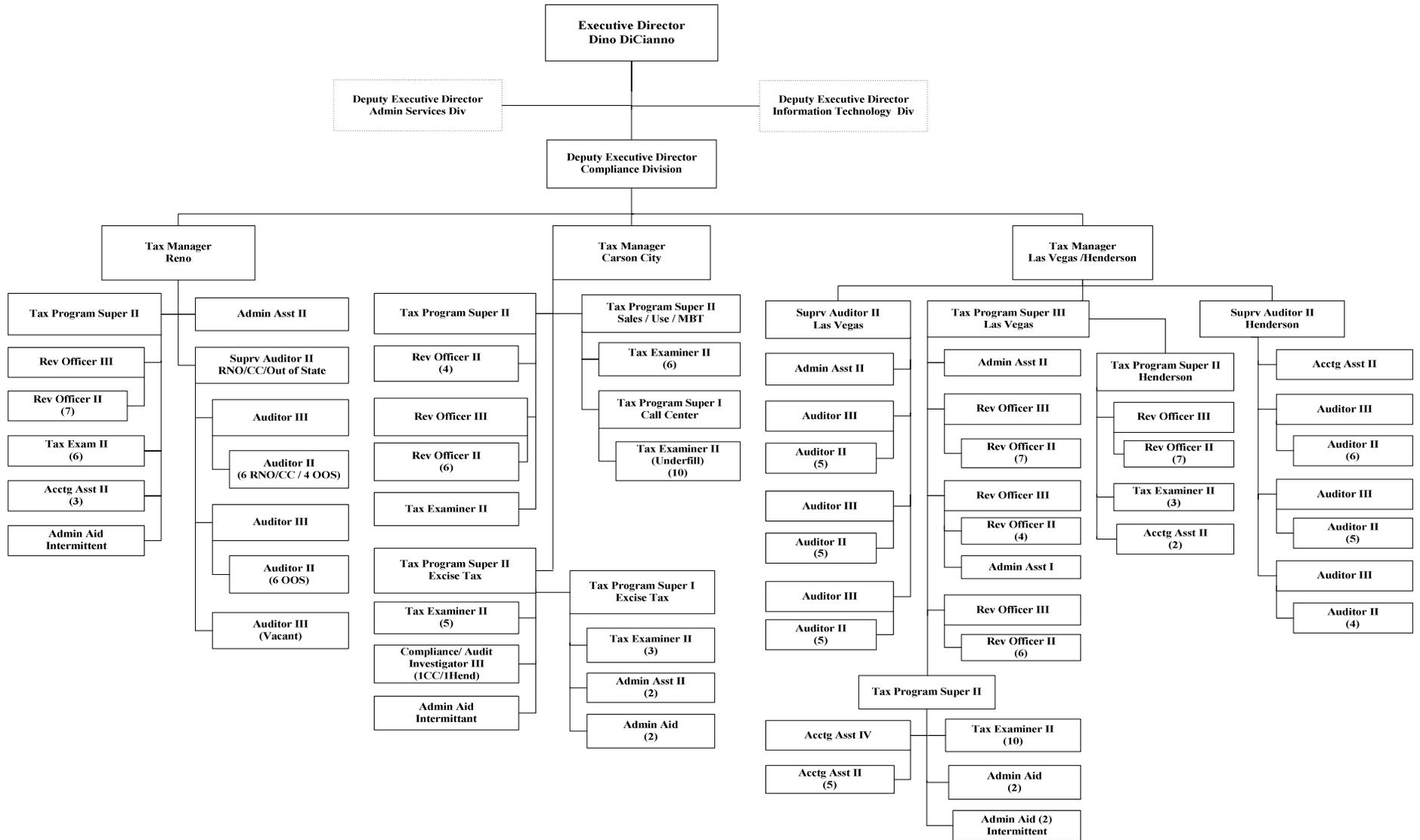
Admin Svcs / Info Tech / DOAS Divisions

June 30, 2010

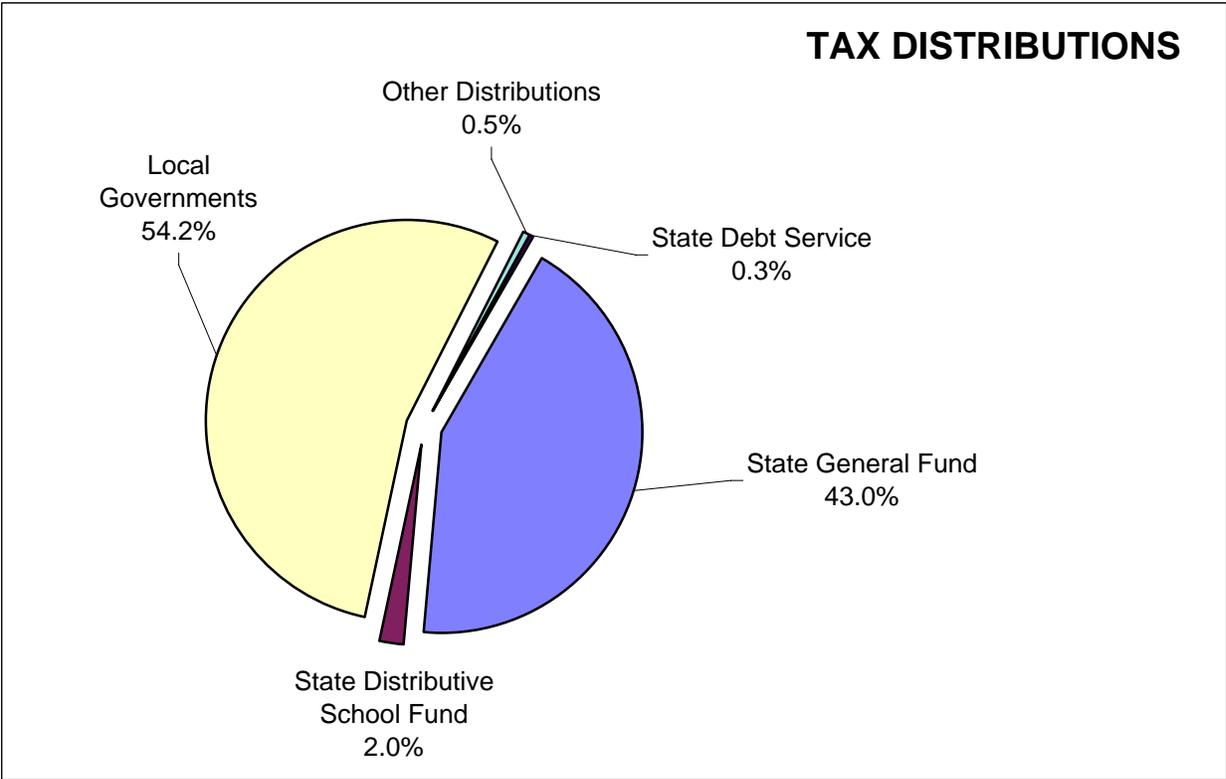
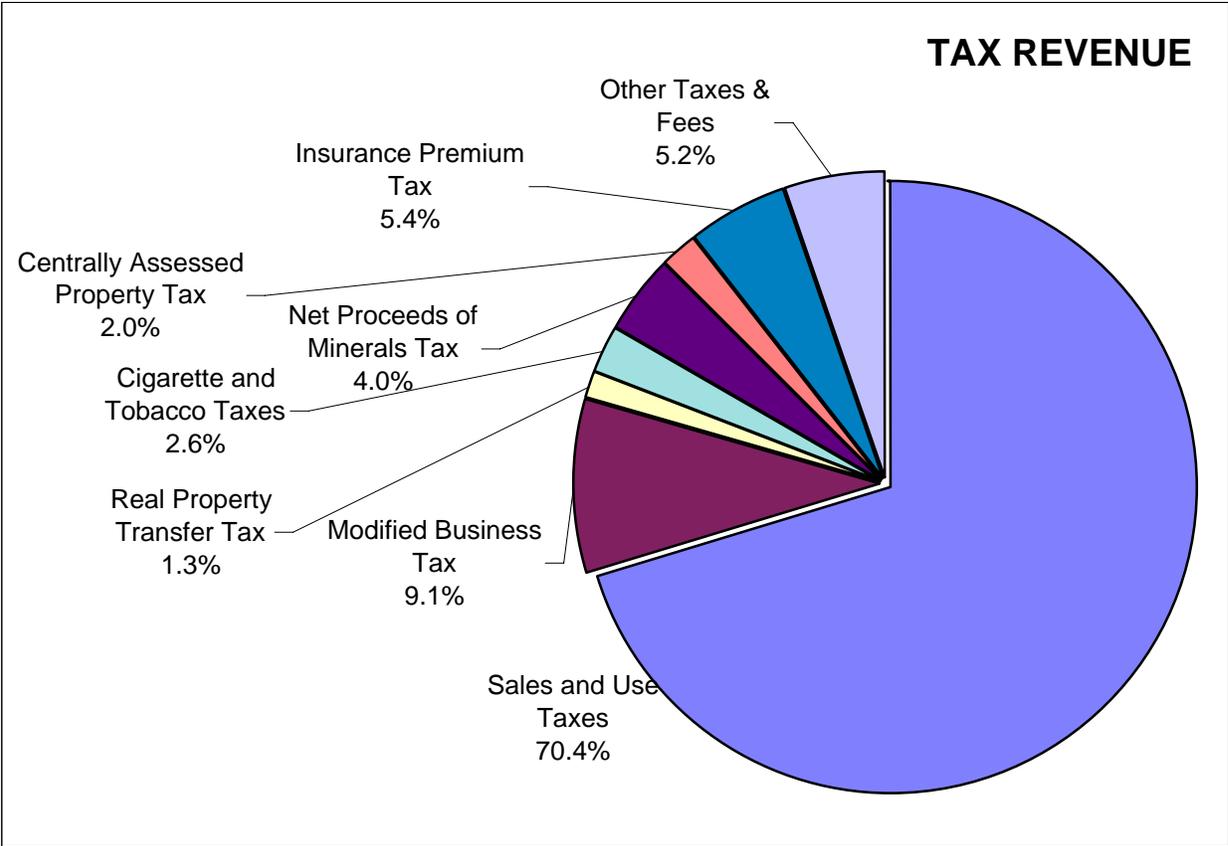


DEPARTMENT OF TAXATION Compliance Division

June 30, 2010



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	360.760-360.796
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 Brian Sandoval, 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
Craig Witt, 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 "Russ" Hofland, Member

Anthony Marnell III, Member

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
Alan Kalt, Member
2 Vacancies

Beth Kohn-Cole, Member
Marty Johnson, Member
Gary Kraemer, Member

John Sherman, Member
Mary Walker, Member
Greg Weyland, Member

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

Dorothy Fowler, Member
Norma Green, Member

Shannon Silva, Member
Janet Kelley, Member

DEPARTMENT OF TAXATION ADMINISTRATION

Dino DiCianno
Executive Director

Vincent Cherpeski
Deputy Executive Director
Information Technology

Brody Leiser
Deputy Executive Director
Administrative Services

Christopher Nielsen
Deputy Executive Director
Compliance

DEPARTMENT ORGANIZATION AND FUNCTION

The Department maintains four office locations. The headquarters is located in Carson City, with district offices in Henderson, Las Vegas and Reno. For fiscal year 2009-10, the Department's staff consisted of 336.35 full-time equivalent positions statewide, with a budget of \$27,785,708.

The Department of Taxation has five major divisions/sections: the Executive Division; the Administrative Services/Fiscal Division; Information Technology Division; the Division of Assessment Standards; and the Compliance Division which consists of both the Revenue/Collection and Audit Sections. 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 to distribute 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 and taxpayer hearings; and performs 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.

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.

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.

Department Organization and Function (continued)

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.

Compliance - Audit section 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.

The audit staff conducted 1,254 sales and use tax audits during Fiscal Year 2009-10. The total net collections from audit billings during this period was \$14,977,784.84. 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. In addition, based on a 2003 legislative change, audits and other procedures for enforcement must be applied as uniformly as possible, not only among taxpayers subject to a particular tax but also among different taxes, and must consider a weighting of indicators of non-compliance.

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>	
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	
2009-10	1,254	14,977,785	

<u>FISCAL YEAR</u>	<u>GROSS SALES AND USE TAXES</u>	<u>COLLECTIONS AS % OF GROSS TAX</u>	<u>AUDIT COVERAGE</u>
2004-05	3,279,620,525	0.58%	2.50%
2005-06	3,662,957,039	0.34%	2.32%
2006-07	3,740,336,053	0.52%	2.08%
2007-08	3,585,817,879	0.37%	1.45%
2008-09	3,122,729,836	0.52%	1.51%
2009-10	2,968,104,048	0.50%	1.35%

Department Financial Statement

REVENUES AND EXPENDITURES
JULY 1, 2009 - JUNE 30, 2010 - REVERSIONS AS OF JUNE 30, 2010

REVENUES	WORK PROGRAM FUNDS	REVENUES / EXPENDITURES	WORK PROGRAM LESS ACTUAL
General Fund Appropriations	\$ 26,406,273	\$ 26,406,273	\$ -
General Fund Reduction, AB 6, Section 1 (Special)	(62,701)	(62,701)	-
Balance Forward from FY09 - SB 403 (tax changes)	18,417	18,417	-
Audit Fees	29,707	41,347	(11,640)
Cigarette Tax Administration	441,175	441,175	-
Short Term Auto Lease Fee	10,222	9,515	707
Environmental Protection Transfer	8,916	8,281	635
Justice Court/Township Fees	143,758	123,720	20,038
Returned Check Charge	52,132	43,468	8,664
Miscellaneous Revenue	4,073	29,206	(25,133)
Close Petty Cash	-	250	(250)
Student Fees Reimbursement	7,436	-	7,436
IFC Contingency Allocation	522,000	522,000	-
General Fund Salary Adjustment	204,300	204,300	-
Total Available Funds	\$ 27,785,708	\$ 27,785,251	\$ 457

EXPENDITURES

Salaries	\$ 21,189,450	\$ 21,078,759	\$ 110,691
Out-of-state Travel	5,508	4,587	921
In-state Travel	170,242	151,726	18,516
Operating	2,531,267	2,492,746	38,521
Equipment	19,999	17,613	2,386
Compliance Audit Investigation	6,392	6,113	279
Out-of-state Audit	53,730	50,121	3,609
E Payment Fees	14,693	12,976	1,717
SB 403/SB 429 Implement LSST Change	540,417	523,313	17,104
Lockbox Program	1,507,356	1,441,639	65,717
Demographer	186,186	186,186	-
Cigarette Stamps	148,161	147,949	212
Information Services	1,395,282	1,389,714	5,568
Training	5,138	1,513	3,625
County Assessor/Appraiser Training	7,436	-	7,436
Purchasing Assessment	4,451	4,451	-
Total Expenditures	\$ 27,785,708	\$ 27,509,406	\$ 276,302
Reversion June 30, 2010		275,845	(275,845)
Balance Forward to Fiscal Year 2010			-
Available Funds Accounted for	\$ 27,785,708	\$ 27,785,251	\$ 457

REVERSIONS AND BALANCE FORWARD

General Fund - FY End Reversion	\$ 275,845.00
Balance Forward to FY 2011	-
Total Reversion	\$ 275,845.00

COMPONENTS OF SALES AND USE TAX RATES

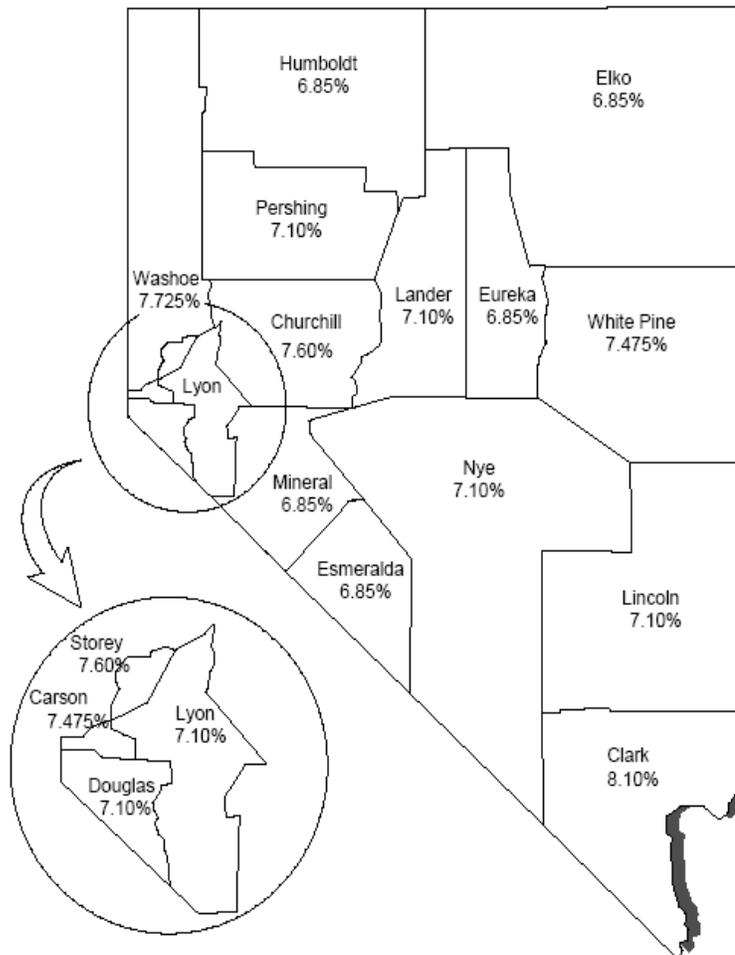
<u>NRS CHAPTER</u>	<u>TAX RATE</u>	<u>DESCRIPTION</u>	<u>DISTRIBUTION</u>	<u>COUNTY IMPOSED</u>
Minimum Statewide Tax Rate:				
372	2.00%	Sales Tax	To the State General Fund	ALL
374	2.60%	Local School Support Tax	<u>In-State Business Returns:</u> Tax is distributed to the school district in which the 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/> 6.85%	MINIMUM STATEWIDE TAX RATE		
Option Taxes:				
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
Special and Local Acts:				
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 6/30/10

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
7.475	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
7.600	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
8.100	Clark	0.250	AB418	Police Support	10/1/2005
7.100	Douglas	0.250	AB174	Miscellaneous Facilities & Services	7/1/1999
7.100	Lander	0.250	377B	Water Treatment	4/1/2004
7.100	Lincoln	0.250	377B	School / Public Utilities	1/1/2001
7.100	Lyon	0.250	377B	Infrastructure/Public Safety	10/1/2008
7.100	Nye	0.250	377A	Public Roads	5/1/1986
7.100	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
7.600	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
7.725	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
7.475	White Pine	0.250	377B	Infrastructure/Public Safety	10/1/2007

6.85 % Statewide rate applies to all other counties not listed.

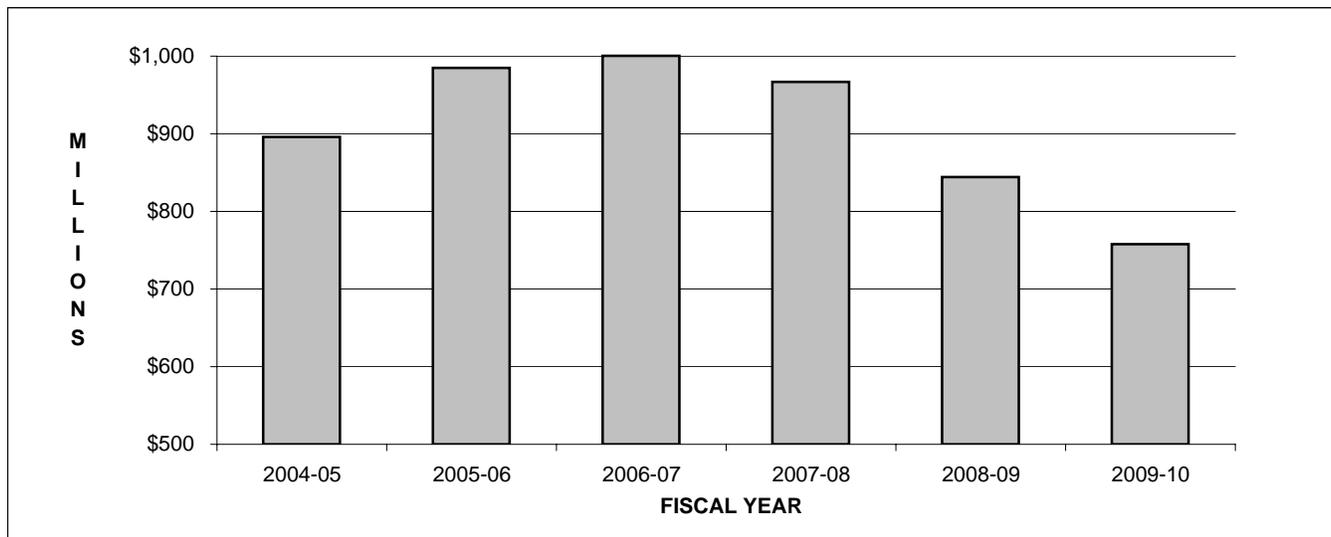


CERTIFIED POPULATION

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 2009-10.

CARSON CITY	57,600	HUMBOLDT COUNTY	18,014
		Winnemucca	7,659
CHURCHILL COUNTY	26,981	LANDER COUNTY	5,891
Fallon	9,258	Austin	309
CLARK COUNTY	1,967,716	Battle Mountain	2,922
Boulder City	16,684	Kingston	320
Henderson	269,538	LINCOLN COUNTY	4,352
Las Vegas	593,528	Caliente	1,077
Mesquite	19,754	Alamo	464
North Las Vegas	214,661	Panaca	645
Bunkerville	1,160	Pioche	785
Enterprise	149,713	LYON COUNTY	55,820
Indian Springs	1,488	Yerington	3,324
Laughlin	8,761	Fernley	19,609
Moapa	998	MINERAL COUNTY	4,401
Moapa Valley	7,134	NYE COUNTY	47,370
Mt. Charleston	1,118	Amargosa	1,521
Paradise	182,264	Beatty	1,024
Searchlight	750	Gabbs	332
Spring Valley	176,910	Manhattan	138
Summerlin	27,992	Pahrump	38,882
Sunrise Manor	185,745	Round Mountain	850
Whitney	36,164	Tonopah	2,628
Winchester	37,141	PERSHING COUNTY	7,192
DOUGLAS COUNTY	52,131	Lovelock	2,458
Gardnerville	5,412	STOREY COUNTY	4,384
Genoa	255	WASHOE COUNTY	423,833
Minden	3,261	Reno	223,012
ELKO COUNTY	50,561	Sparks	91,684
Carlin	2,322	WHITE PINE COUNTY	9,694
Elko	18,424	Ely	4,352
Wells	1,524	Lund	157
West Wendover	4,990	McGill	1,128
Jackpot	1,222	Ruth	407
Montello	165		
Mountain City	130		
ESMERALDA COUNTY	1,240	TOTAL STATEWIDE POPULATION	2,738,733
Goldfield	415		
Silver Peak	182		
EUREKA COUNTY	1,553		
Crescent Valley	283		
Eureka	473		

SALES AND USE TAX REVENUE



FISCAL YEAR	TAX	PERMIT FEES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
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%
2009-10	757,528,878	65,768	757,594,646	-10.25%

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

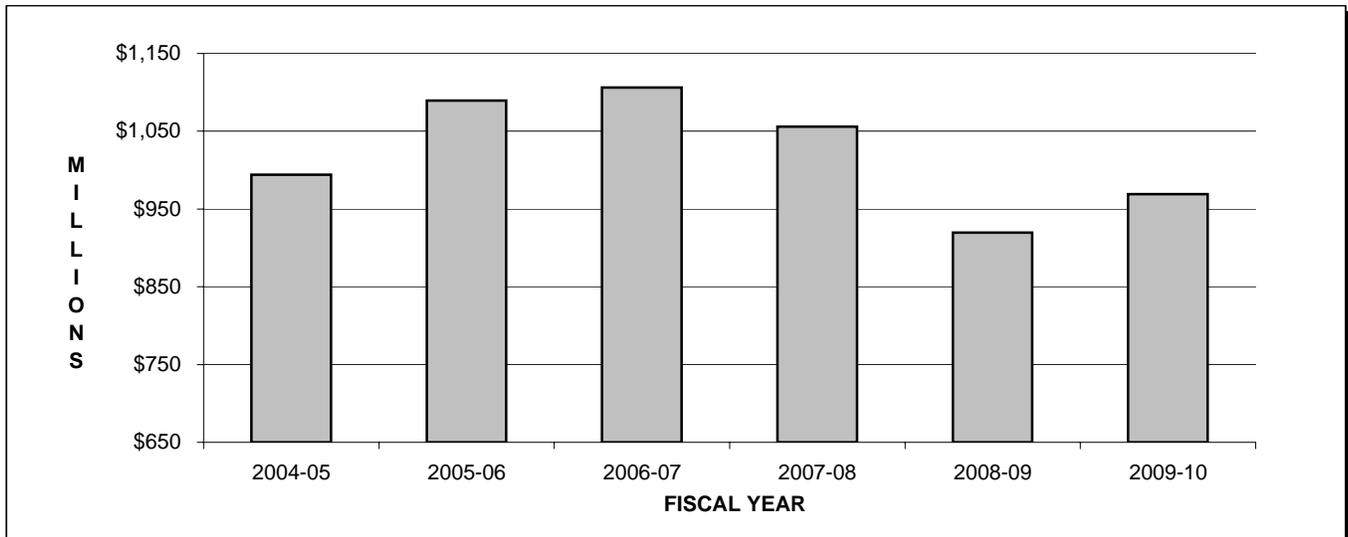
State General Fund since inception.

Sales and Use Tax Revenue (continued)

STATE 2% SALES AND USE TAX COLLECTION BY COUNTY
FISCAL YEAR 2009-10

COUNTY	TAXES AND FEES	% OF TOTAL
Carson City	\$ 13,665,475	1.80%
Churchill	5,045,562	0.67%
Clark	561,361,358	74.10%
Douglas	10,750,027	1.42%
Elko	21,907,873	2.89%
Esmeralda	131,249	0.02%
Eureka	5,350,999	0.71%
Humboldt	10,701,769	1.41%
Lander	4,405,966	0.58%
Lincoln	519,460	0.07%
Lyon	5,843,171	0.77%
Mineral	734,489	0.10%
Nye	7,962,893	1.05%
Pershing	1,098,414	0.14%
Storey	984,752	0.13%
Washoe	101,369,944	13.38%
White Pine	3,504,957	0.46%
Out of State	5,884	0.00%
STAR Bonds Transfers	2,250,403	0.30%
TOTAL	\$ 757,594,646	100.00%

LOCAL SCHOOL SUPPORT TAX REVENUE



FISCAL YEAR	TAX	PERMIT FEES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
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%
2009-10	968,909,475	65,766	968,975,242	5.37%

LEGAL CITATION

Chapter 374 Nevada Revised Statutes.

RATE

2.60 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.

July 1, 2009 - 2.60 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.

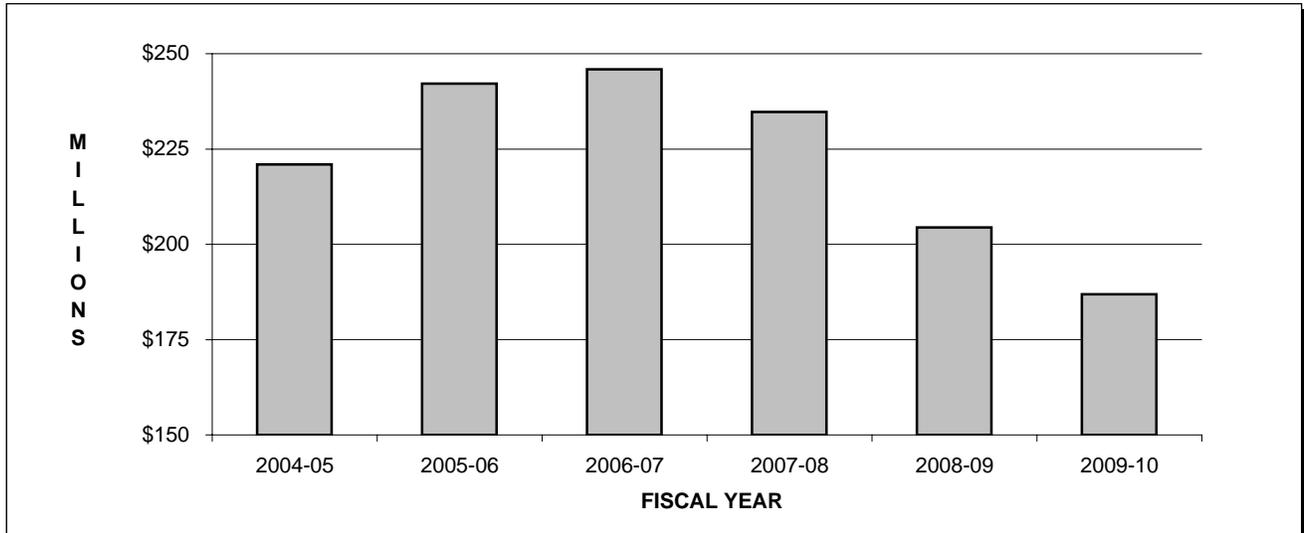
July 1, 1993 - State General Fund Commission increased from .50 percent to 1 percent on in-state and out-of-state collections.

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 2009-10

COUNTY	TAX	% OF TOTAL
Carson City	\$ 15,559,613	1.61%
Churchill	4,766,941	0.49%
Clark	658,075,682	67.91%
Douglas	12,133,792	1.25%
Elko	26,682,056	2.75%
Esmeralda	88,455	0.01%
Eureka	1,835,671	0.19%
Humboldt	8,283,718	0.85%
Lander	2,241,004	0.23%
Lincoln	385,486	0.04%
Lyon	5,239,543	0.54%
Mineral	355,339	0.04%
Nye	6,768,292	0.70%
Pershing	366,776	0.04%
Storey	654,083	0.07%
Washoe	127,099,100	13.12%
White Pine	2,413,157	0.25%
Total County School District Distribution	\$ 872,948,707	90.09%
STAR Bonds Transfers	2,571,663	0.27%
State General Fund	7,264,043	0.75%
State Distributive School Fund	86,190,829	8.90%
TOTAL	\$ 968,975,242	100.00%

BASIC CITY/COUNTY RELIEF TAX REVENUE



FISCAL YEAR	TAX	PERMIT FEES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
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%
2009-10	186,830,759	65,771	186,896,530	-8.56%

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

98.25 percent of in-state collections returned to county of origin for distribution to eligible local governments through the Consolidated Tax Program; 1.75 percent to State General Fund; 98.25 percent out-of-state collections prorated amongst counties, on the basis of population ratio, for distribution to local governments through the Consolidated Tax Program; 1.75 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.

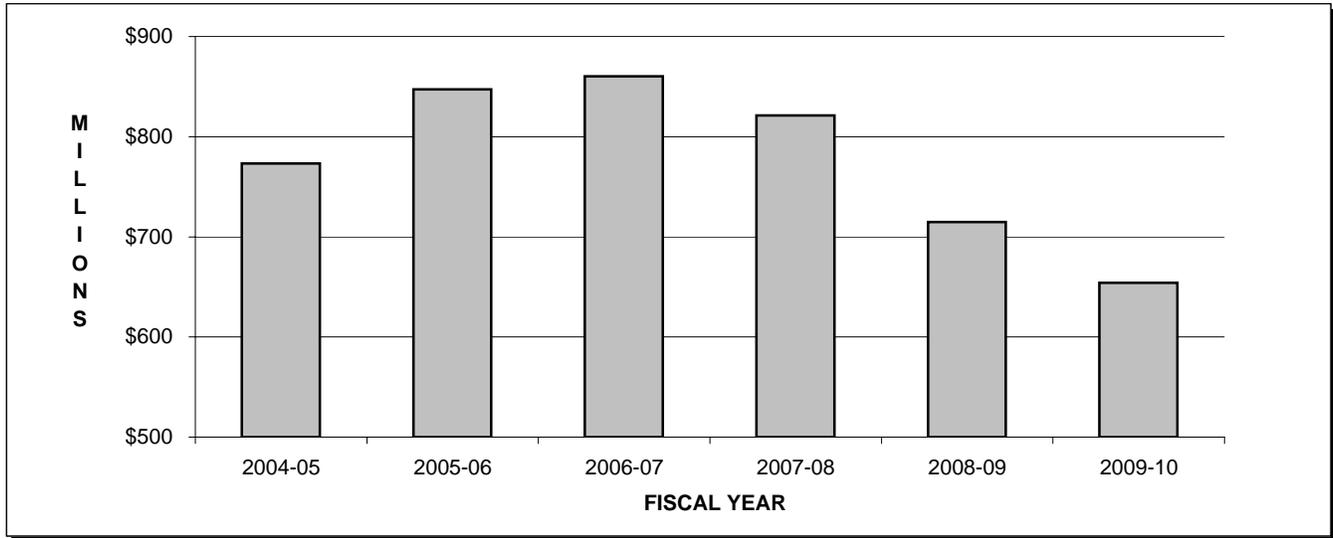
Basic City/County Relief Tax Revenue (continued)

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.
	2009	Effective July 1, 2009 General Fund Commission increased to 1.75 percent on in-state and out-of-state collections.

BASIC CITY/COUNTY RELIEF TAX TRANSFER
TO CONSOLIDATED TAX
FISCAL YEAR 2009-10

COUNTY	TAX	% OF TOTAL
Carson City	\$ 3,444,888	1.84%
Churchill	1,097,035	0.59%
Clark	136,904,554	73.25%
Douglas	2,742,406	1.47%
Elko	4,614,332	2.47%
Esmeralda	30,646	0.02%
Eureka	1,107,359	0.59%
Humboldt	2,210,527	1.18%
Lander	992,076	0.53%
Lincoln	123,279	0.07%
Lyon	1,621,829	0.87%
Mineral	170,788	0.09%
Nye	2,029,679	1.09%
Pershing	245,504	0.13%
Storey	224,111	0.12%
Washoe	24,748,121	13.24%
White Pine	762,680	0.41%
Total County Transfers	\$ 183,069,814	97.95%
STAR Bonds Transfers	558,010	0.30%
State General Fund	3,268,705	1.75%
Total	\$ 186,896,530	100.00%

SUPPLEMENTAL CITY/COUNTY RELIEF TAX REVENUE



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2004-05*	\$ 773,176,331	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%
2009-10	654,046,992	-8.51%

*Fiscal Year 2004-05 total collections has been adjusted from the previous Annual Report due to a reporting error.

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

98.25 percent of total collections returned to local governments through Consolidated Tax Program based on distribution formula; 1.75 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	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. 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.
	2009	Effective July 1, 2009 General Fund Commission increased to 1.75 percent on in-state and out-of-state collections.

SUPPLEMENTAL CITY/COUNTY RELIEF TAX TRANSFER
TO CONSOLIDATED TAX
FISCAL YEAR 2009-10

COUNTY	TAX	% OF TOTAL
Carson City	\$ 11,554,974	1.77%
Churchill	3,486,764	0.53%
Clark	466,383,590	71.31%
Douglas	15,970,320	2.44%
Elko	16,071,845	2.46%
Esmeralda	1,114,391	0.17%
Eureka	4,094,938	0.63%
Humboldt	7,843,179	1.20%
Lander	2,792,174	0.43%
Lincoln	1,346,157	0.21%
Lyon	11,869,832	1.81%
Mineral	1,785,690	0.27%
Nye	6,503,919	0.99%
Pershing	2,116,434	0.32%
Storey	1,760,372	0.27%
Washoe	82,866,837	12.67%
White Pine	3,073,515	0.47%
Total County Transfers	\$ 640,634,931	97.95%
STAR Bonds Transfers	1,969,103	0.30%
State General Fund	11,442,957	1.75%
TOTAL	\$ 654,046,992	100.00%

SEVERE FINANCIAL EMERGENCY FUND

Fund Balance - June 30, 2010 \$ 504,893.68

Supplemental City/County Relief Tax (continued)

LOCAL GOVERNMENT TAX ACTS OF 1991 AND 1993
SPECIAL FUND COLLECTIONS AND DISTRIBUTIONS
FISCAL YEAR 2009-10

COLLECTIONS

CHURCHILL COUNTY

Sales and Use Tax	\$	524,444
Motor Vehicle Privilege Tax		641,975
Real Property Transfer Tax		13,292
Property Tax		159,935
Interest		901
TOTAL	\$	<u>1,340,547</u>

WASHOE COUNTY

Sales and Use Tax	\$	12,672,217
Motor Vehicle Privilege Tax		7
Gaming License Fee		217,711
Real Property Transfer Tax		503,164
Property Tax		4,064,700
Interest		13,076
TOTAL	\$	<u>17,470,875</u>

DISTRIBUTIONS

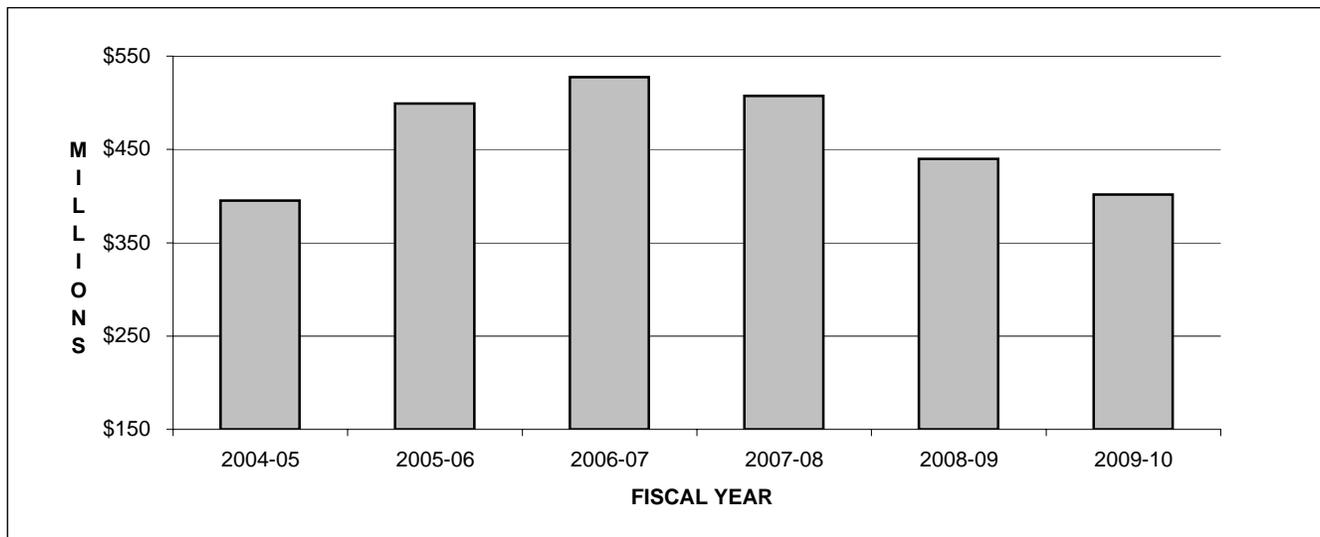
CHURCHILL COUNTY

	\$	998,130
Fallon		269,679
Other		72,738
TOTAL	\$	<u>1,340,547</u>

WASHOE COUNTY

	\$	11,647,906
Reno		2,663,267
Sparks		1,316,824
Other		1,842,879
TOTAL	\$	<u>17,470,875</u>

LOCAL OPTION SALES AND USE TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
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%
2009-10	401,635,601	-8.66%

LEGAL CITATION

Chapters 374A, 377A, 377B and 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

NRS 374A provides for a county to impose a tax up to one-eighth of one percent for the cost of extraordinary maintenance, repair or improvement of school facilities within the county. 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. 98.25 percent of collection returned to county of origin; 1.75 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)

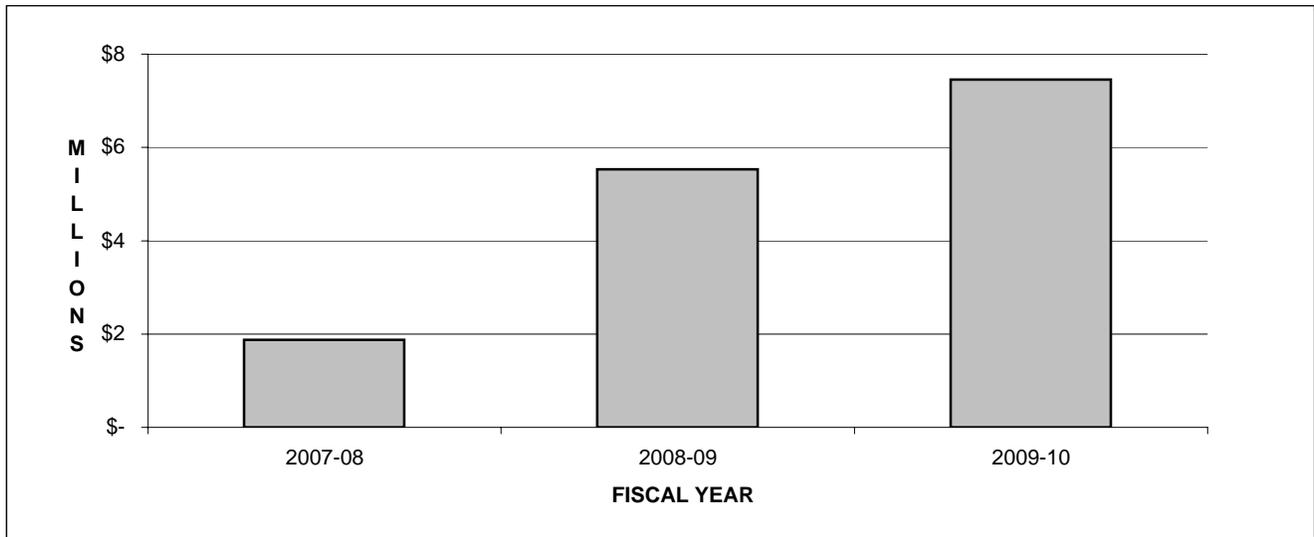
AMENDMENTS	1985	Amended NRS 377A.020 by adding that the tax may be used for the construction of public roads, and NRS 543.600 stipulates for the purpose of flood control.
	1989	Amended NRS 543.600 by increasing the population limitation from 250,000 to 400,000 or more in a county that may consider imposing 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.
	2009	Effective July 1, 2009 General Fund Commission increased to 1.75 percent on in-state and out-of-state collections.

Local Option Sales and Use Tax (continued)

LOCAL OPTION SALES AND USE TAX DISTRIBUTION
FISCAL YEAR 2009-10

COUNTY	PROVISION	USE OF PROCEEDS	DATE IMPOSED	AMOUNT
<u>Option Taxes</u>				
Carson City	377A	Public Roads	1/1/1987	\$ 1,668,535
Carson City	377B	V&T Railroad Bonds	4/1/2006	833,551
Churchill	377A	Public Roads	11/1/1986	525,395
Churchill	377B	Infrastructure	10/1/2005	525,193
Clark	377A	Regional Transportation	7/1/1991	} 135,736,134
Clark	377A	Regional Transportation ¼% increase	10/1/2003	
Clark	377B	So NV Water Authority	4/1/1999	67,906,159
Clark	543	Flood Control	3/1/1987	67,907,505
Lander	377B	Water Treatment	4/1/2004	540,198
Lincoln	377B	School / Public Utilities	1/1/2001	63,787
Lyon	377B	Infrastructure	10/1/2008	715,652
Nye	377A	Public Roads	5/1/1986	976,880
Pershing	377B	Infrastructure	10/1/2008	128,201
Storey	377A	Tourism	8/1/1985	112,915
Storey	377B	School / Public Utilities	1/1/2001	112,949
Washoe	377A	Regional Transportation	11/1/1982	} 19,021,728
Washoe	377A	Regional Transportation ¼% increase	7/1/2003	
Washoe	377B	Flood/Public Safety	4/1/1999	6,339,673
White Pine	374A	School Cap Improvement	4/1/2000	215,207
White Pine	377A	Public Roads	11/1/1986	430,404
White Pine	377A	Swimming Pool	10/1/2003	599
White Pine	354	Operating/Severe Fin. Emergency	7/1/2006	1,435
White Pine	377B	Infrastructure/Public Safety	10/1/2007	429,382
<u>Special Acts</u>				
Churchill		Local Government Tax Act	10/1/1991	524,444
Clark		Police Support	10/1/2005	67,780,447
Storey		Tricounty Railway Commission	1/1/1996	112,951
Washoe		Railroad Grade Project	4/1/1999	6,340,270
Washoe		Local Government Tax Act	10/1/1991	12,672,217
<u>Miscellaneous Amendments</u>				
Carson City		Open Space	7/1/1997	1,669,985
Douglas		Misc Facilities & Services	7/1/1999	1,315,182
Total to Counties				\$ 394,606,978
State General Fund				7,028,623
TOTAL				\$ 401,635,601

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%
2009-10	7,453,708	34.79%

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; 1.75 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.

AMENDMENTS

2009

Effective July 1, 2009 General Fund Commission increased to 1.75 percent on in-state and out-of-state collections.

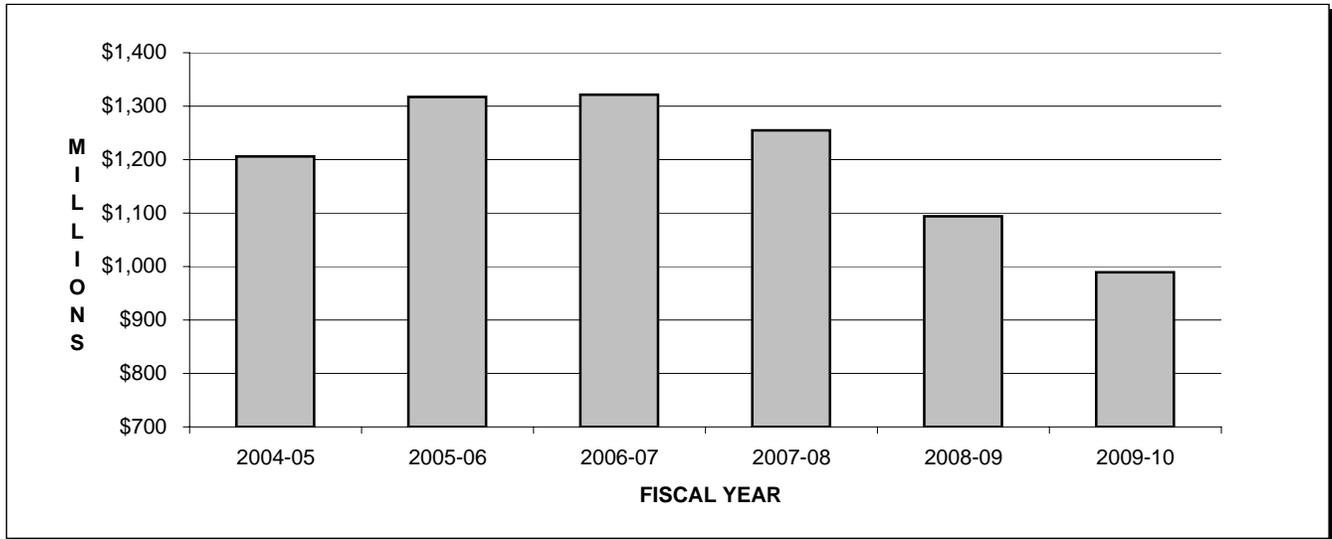
TAXABLE SALES COMPARISON

Taxable Sales Comparison by County

County	Fiscal Year 2008-09	Fiscal Year 2009-10	% Change
Carson City	\$ 761,379,338	\$ 678,625,833	-10.9%
Churchill	321,713,562	251,257,089	-21.9%
Clark	31,378,241,926	27,969,288,365	-10.9%
Douglas	584,679,285	537,187,480	-8.1%
Elko	1,101,163,907	1,093,157,964	-0.7%
Esmeralda	9,225,856	6,550,660	-29.0%
Eureka	285,941,988	266,356,436	-6.8%
Humboldt	498,791,105	533,666,736	7.0%
Lander	264,108,594	220,348,040	-16.6%
Lincoln	25,257,010	25,870,780	2.4%
Lyon	340,283,585	290,241,250	-14.7%
Mineral	37,246,728	36,280,040	-2.6%
Nye	427,505,513	397,569,612	-7.0%
Pershing	62,892,280	65,680,937	4.4%
Storey	59,577,852	48,298,570	-18.9%
Washoe	5,707,791,051	5,176,981,699	-9.3%
White Pine	220,814,758	174,705,288	-20.9%
STATE TOTAL	\$ 42,086,614,338	\$ 37,772,066,779	-10.3%

The above comparisons for Fiscal Year 2008-09 and Fiscal Year 2009-10 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
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%
2009-10	989,505,534	-9.54%

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 2009-10

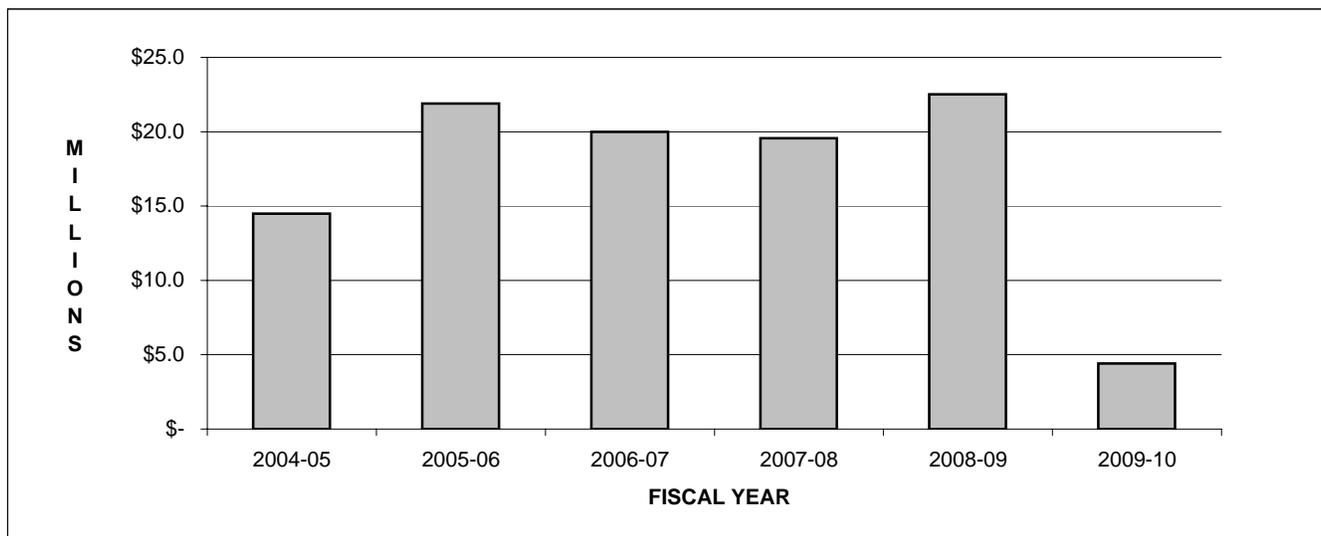
COUNTY	BCCRT	SCCRT	CIGARETTE	LIQUOR	RPTT	GST	TOTAL
CARSON CITY	\$ 3,444,888	\$ 11,554,974	\$ 256,603	\$ 66,851	\$ 248,614	\$ 2,156,521	\$ 17,728,451
CHURCHILL	1,097,035	3,486,764	120,498	31,402	73,107	1,285,453	6,094,259
CLARK	136,904,554	466,383,590	8,782,677	2,288,616	18,268,853	87,652,511	720,280,801
DOUGLAS	2,742,406	15,970,320	232,430	60,559	483,211	2,236,948	21,725,874
ELKO	4,614,332	16,071,845	226,570	59,069	195,808	3,510,251	24,677,875
ESMERALDA	30,646	1,114,391	5,501	1,433	3,894	139,897	1,295,762
EUREKA	1,107,359	4,094,938	6,948	1,811	7,891	225,828	5,444,775
HUMBOLDT	2,210,527	7,843,179	80,265	20,911	62,302	1,365,165	11,582,349
LANDER	992,076	2,792,174	26,416	6,888	12,904	806,260	4,636,716
LINCOLN	123,279	1,346,157	19,424	5,062	12,436	400,821	1,907,179
LYON	1,621,829	11,869,832	247,954	64,574	325,684	2,446,309	16,576,182
MINERAL	170,788	1,785,690	19,726	5,143	13,471	349,736	2,344,555
NYE	2,029,679	6,503,919	210,944	54,953	233,934	2,453,597	11,487,026
PERSHING	245,504	2,116,434	32,112	8,368	11,813	455,658	2,869,888
STOREY	224,111	1,760,372	19,543	5,092	41,793	288,294	2,339,204
WASHOE	24,748,121	82,866,837	1,888,790	492,092	2,767,401	21,060,469	133,823,711
WHITE PINE	762,680	3,073,515	43,232	11,264	22,021	778,214	4,690,927
TOTAL	\$ 183,069,814	\$ 640,634,931	\$ 12,219,635	\$ 3,184,087	\$ 22,785,134	\$ 127,611,933	\$ 989,505,534

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.

BUSINESS LICENSE FEE



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
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%
2009-10	4,417,943	-80.38%

LEGAL CITATION

Chapter 360.760 - 360.796

IMPOSITION AND RATE

Business License Fee is \$200 annually, effective July 1, 2009. This is a fee imposed on persons doing business in Nevada.

CURRENT DISTRIBUTION OF REVENUE

State General Fund.

HISTORY

ORIGINALLY ENACTED

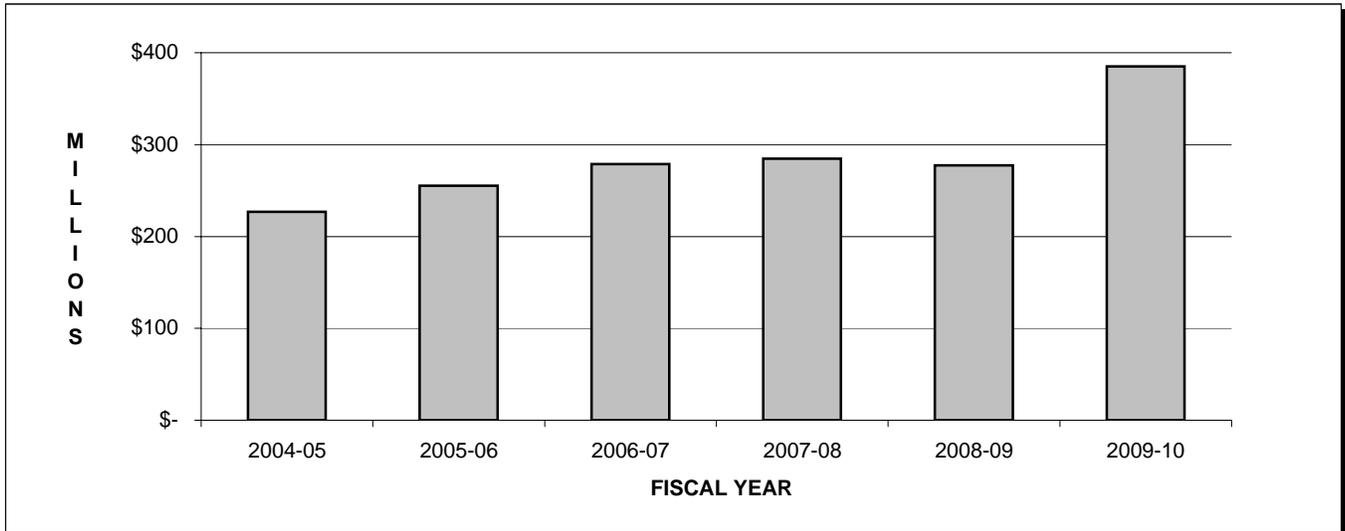
2003 Legislative Session, effective October 1, 2003. This is a license fee imposed on a person for the privilege of conducting business in this state. This business license replaces the business license requirement in 364A, which was repealed September 30, 2003.

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.

Amended effective October 1, 2009 by Assembly Bill 146 of the 75th Session of the Nevada Legislature. Assembly Bill 146 transferred the administration of the Business License fee from the Department of Taxation to the Nevada Secretary of State. The administration of the Exhibition Facilities fee remains with the Department of Taxation.

MODIFIED BUSINESS TAX



FISCAL YEAR	GENERAL BUSINESS	FINANCIAL INSTITUTIONS	ECONOMIC DEVELOPMENT	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
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%
2009-10	363,411,521	21,698,267	9,921	385,119,708	38.77%

LEGAL CITATION

Chapter 363A, 363B

IMPOSITION AND RATE

Tax is imposed on businesses and financial institutions. For businesses other than financial institutions the tax rate is 0.5 percent after health care deductions if the sum of all wages is less than \$62,500. If the sum of all wages paid by the employer exceeds \$62,500 for the calendar quarter, the tax is \$312.50 plus 1.17% of the amount the wage exceeds \$62,500. The tax rate for financial institutions is 2% of the 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

Tax collected is distributed to the State General Fund. 50% of the tax paid by an entity which was directly recruited/assisted in locating to Nevada by a qualifying economic development agency is distributed back to that agency for a period of 10 years pursuant to NRS 363B.105.

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.

Modified Business Tax (continued)

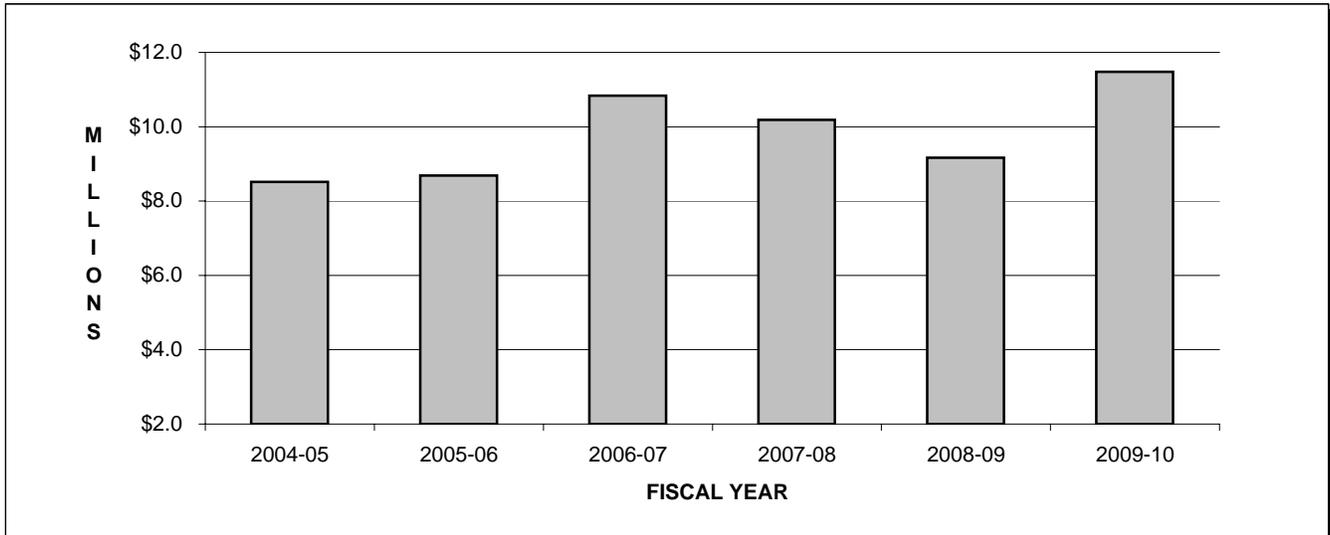
AMENDMENTS

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.

Senate Bill 429 of the 2009 Session of the State Legislature changed the tax to a two-tiered rate for General Businesses. The rate on the first \$62,500 of taxable wages is 0.5%; wages above \$62,500 are taxed at 1.17%. The rate for Financial Institutions was not changed.

Assembly Bill 317 of the 2009 Session of the State Legislature provides for a 50% distribution of Modified Business Tax paid by a business for a period of 10 years to a redevelopment agency that is responsible for locating a business in the state between July 1, 2009 and June 30, 2011.

LIVE ENTERTAINMENT TAX



FISCAL YEAR	LESS THAN 7500 SEATS	7500 SEATS OR GREATER	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
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%
2009-10	10,442,433	1,033,086	11,475,519	25.25%

LEGAL CITATION

Chapter 368A

IMPOSITION AND RATE

A tax imposed on any facility with 200 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 200 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

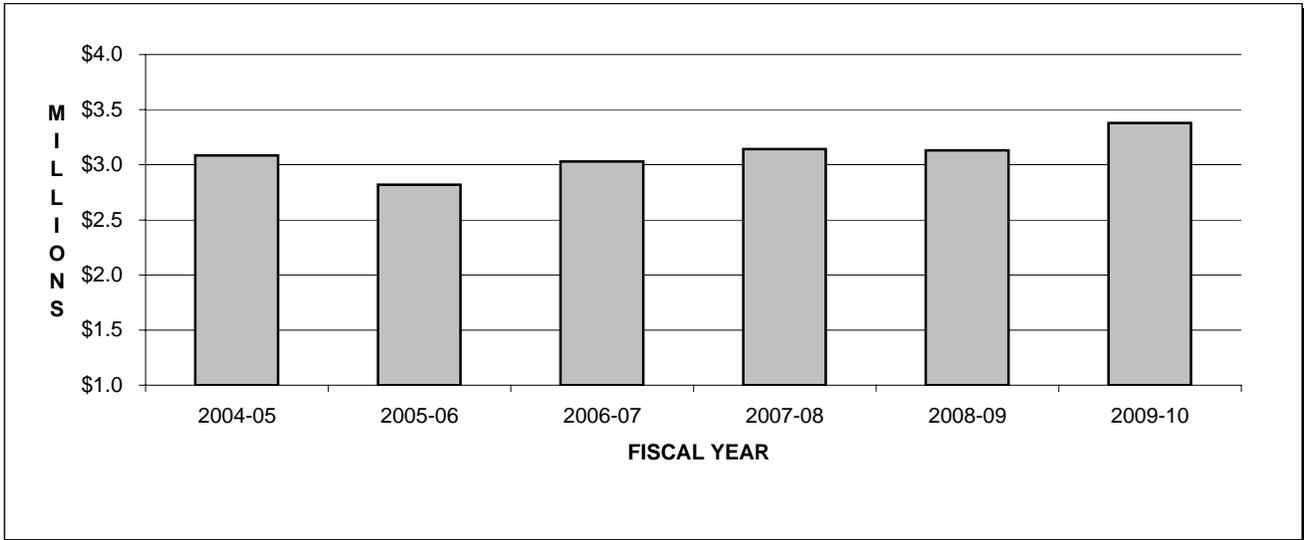
2003 Session of the State Legislature, effective January 1, 2004.

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
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%
2009-10	3,378,900	7.90%

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

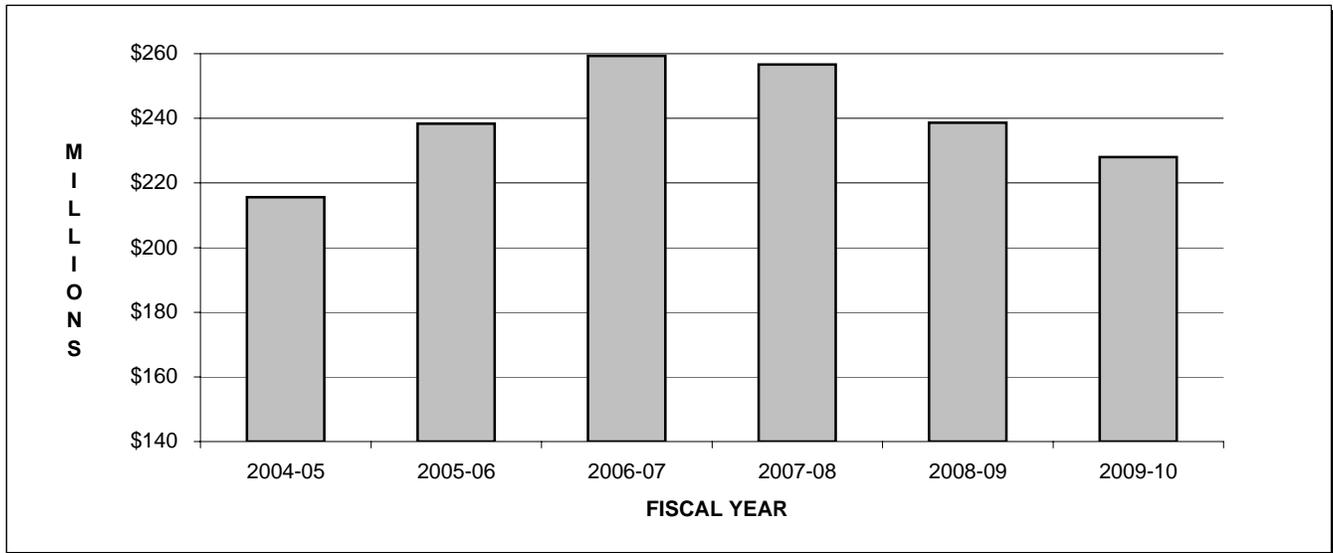
ORIGINALLY ENACTED

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*	\$ 215,598,038	11.01%
2005-06	238,333,715	10.55%
2006-07	259,274,818	8.79%
2007-08	256,693,189	-1.00%
2008-09*	238,622,626	-7.04%
2009-10	227,959,135	-4.47%

*Fiscal Year 2004-05 and 2008-09 total collections have been adjusted from the previous Annual Report to include Retaliatory Tax.

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.

AMENDMENTS

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)

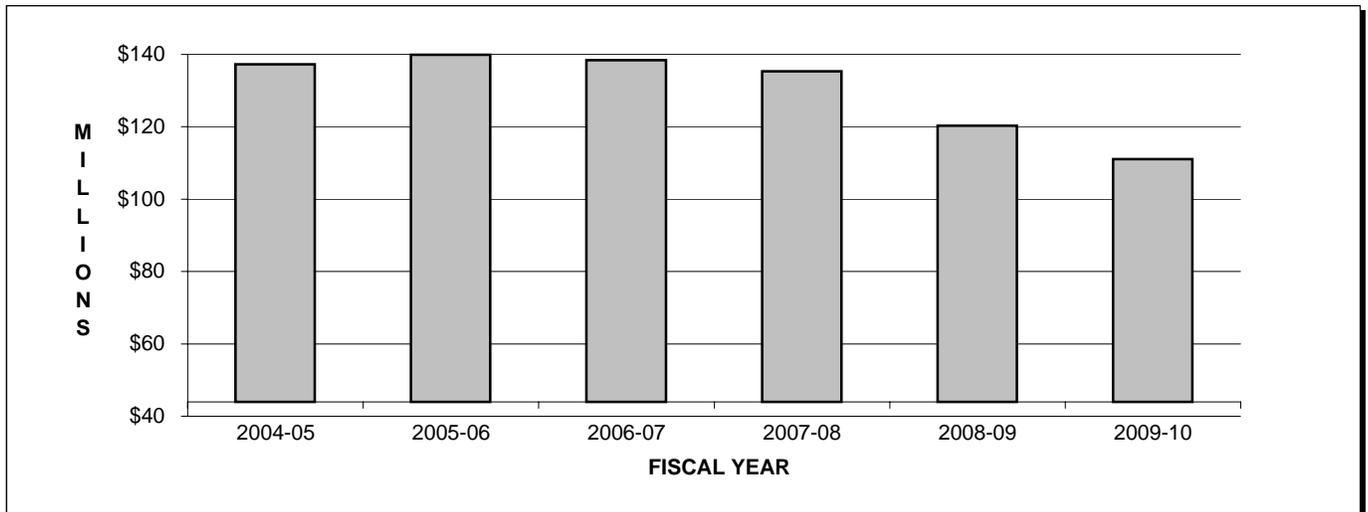
1995 Session of the State Legislature passed legislation requiring private insurers who are writing industrial insurance in this State to pay premium tax on those policies. The legislation also provided for a credit against premium taxes on industrial insurance policies in an amount equal to the assessment 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 1st to March 15th and requires insurers to report premium taxes based on actual premiums written instead of estimated, effective January 1, 1998.

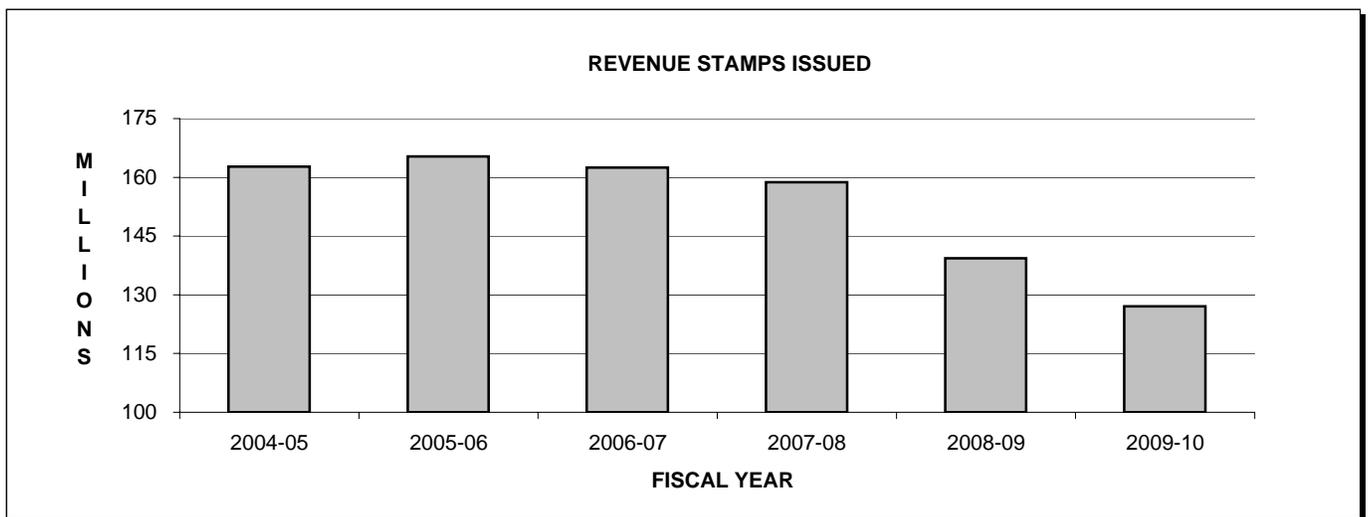
1999 Session of the State Legislature requires insurers to provide statements to insureds if the portion of premium is attributable to the general premium tax, fees or assessments, effective July 1, 2000.

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
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 *	129,530,436	8,841,781	11,588	138,383,805	-1.12%
2007-08 **	126,521,707	8,840,580	11,940	135,374,227	-2.17%
2008-09	111,132,623	9,140,387	12,150	120,285,160	-11.15%
2009-10	101,460,946	9,574,952	10,688	111,046,585	-7.68%



FISCAL YEAR	# OF REVENUE STAMPS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	# OF REVENUE STAMPS	% CHANGE FROM PRIOR YEAR
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%
2006-07	162,454,182	-1.75%	2009-10	127,043,100	-8.80%

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.

* Stamp Revenue was corrected due to an error in the prior reports.

** Other Tobacco Products revenue was corrected due to an error in the prior reports.

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 2004-05 | 24,705,000 | FY 2007-08 | 25,560,000 |
| FY 2005-06 | 26,535,000 | FY 2008-09 | 30,892,500 |
| FY 2006-07 | 22,395,000 | FY 2009-10 | 28,035,000 |
- 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.

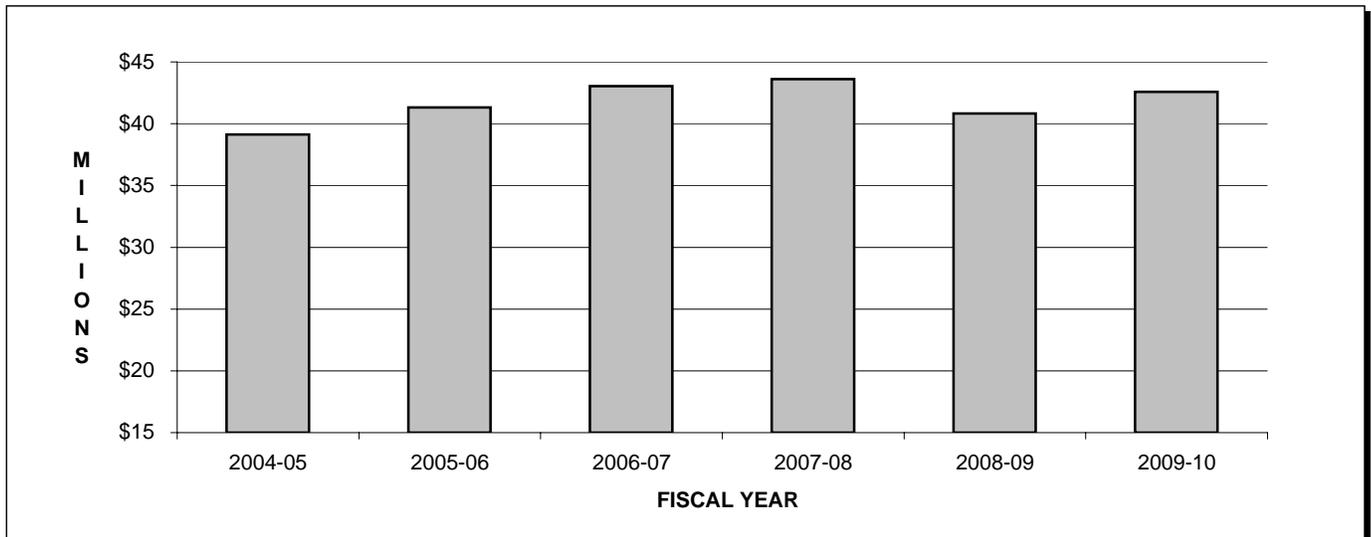
2009 Assembly Bill 552 of the 2009 Legislative Session removed the sunset date of June 30, 2009 for the collection allowance and discount rate of 0.25 percent.

Cigarette and Other Tobacco Products Tax Revenue (continued)

TRANSFER OF CIGARETTE TAX REVENUE
TO CONSOLIDATED TAX
FISCAL YEAR 2009-10

COUNTY	TAX	% OF TOTAL
Carson City	\$ 256,603	0.23%
Churchill	120,498	0.11%
Clark	8,782,677	7.91%
Douglas	232,430	0.21%
Elko	226,570	0.20%
Esmeralda	5,501	0.00%
Eureka	6,948	0.01%
Humboldt	80,265	0.07%
Lander	26,416	0.02%
Lincoln	19,424	0.02%
Lyon	247,954	0.22%
Mineral	19,726	0.02%
Nye	210,944	0.19%
Pershing	32,112	0.03%
Storey	19,543	0.02%
Washoe	1,888,790	1.70%
White Pine	43,232	0.04%
TOTAL COUNTY TRANSFER	\$ 12,219,635	11.00%
Administrative Fees	441,175	0.40%
Refunds	259,966	0.23%
State General Fund	88,550,857	79.74%
Other Tobacco Products	9,574,952	8.62%
TOTAL	\$ 111,046,585	100.00%

LIQUOR TAX REVENUE



FISCAL YEAR	TAX	LICENSES AND FINES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
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*	42,894,216	139,636	43,033,852	4.17%
2007-08	43,469,484	151,031	43,620,515	1.36%
2008-09	40,670,524	151,681	40,822,205	-6.42%
2009-10	42,396,078	175,813	42,571,891	4.29%

*Fiscal Year 2006-07 total collections has been adjusted from the previous Annual Report to include an adjustment.

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

FINES

First offense \$500
 Second offense 1,000
 Third and subsequent offenses 2,000

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 liquor program account in the State General Fund. Fifty percent of Liquor Awareness Fines go to Aid for Victims of Domestic Violence and the other fifty percent go to community juvenile justice programs. 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.
- 2009 Assembly Bill 432 of the 2009 Legislative Session provides that fines collected from establishments for alcohol awareness training violations are to be distributed 50% to Aid to Victims of Domestic Violence and 50% to community juvenile justice programs.
- Assembly Bill 552 removed the sunset date of June 30, 2009 for the discount rate.

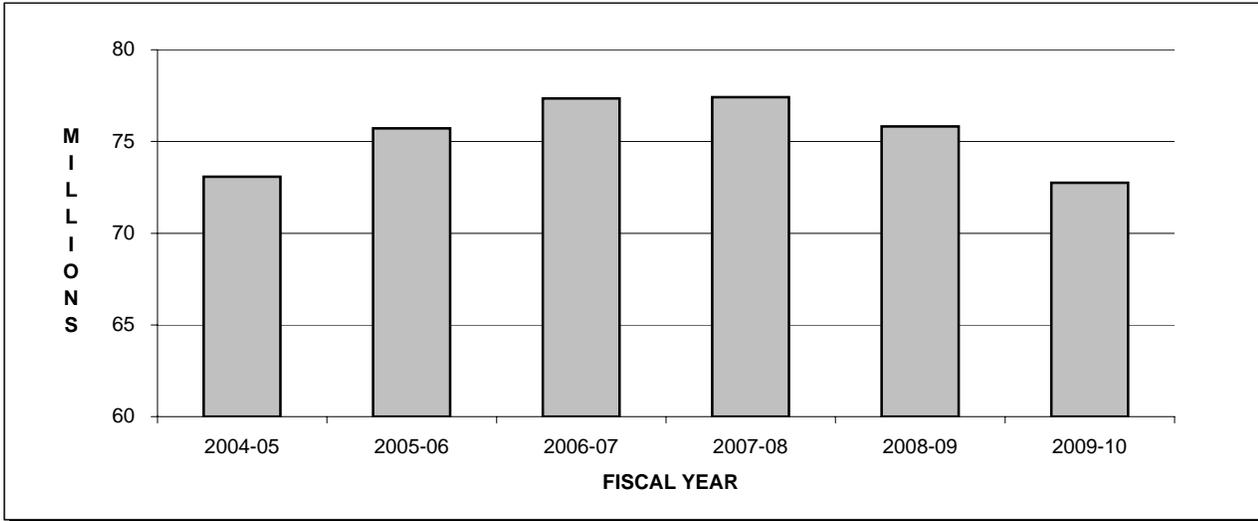
Liquor Tax Revenue (continued)

TRANSFER OF LIQUOR TAX REVENUE
TO CONSOLIDATED TAX
FISCAL YEAR 2009-10

COUNTY	TAX	% OF TOTAL
Carson City	\$ 66,851	0.16%
Churchill	31,402	0.07%
Clark	2,288,616	5.38%
Douglas	60,559	0.14%
Elko	59,069	0.14%
Esmeralda	1,433	0.00%
Eureka	1,811	0.00%
Humboldt	20,911	0.05%
Lander	6,888	0.02%
Lincoln	5,062	0.01%
Lyon	64,574	0.15%
Mineral	5,143	0.01%
Nye	54,953	0.13%
Pershing	8,368	0.02%
Storey	5,092	0.01%
Washoe	492,092	1.16%
White Pine	11,264	0.03%
TOTAL COUNTY TRANSFER	\$ 3,184,087	7.48%
Liquor Program Account	955,226	2.24%
State General Fund	38,425,078	90.26%
Alcoholic Beverage Awareness Program Fine		
Victims of Domestic Violence	3,750	0.01%
Community Juvenile Justice Program	3,750	0.01%
TOTAL	\$ 42,571,891	100.00%

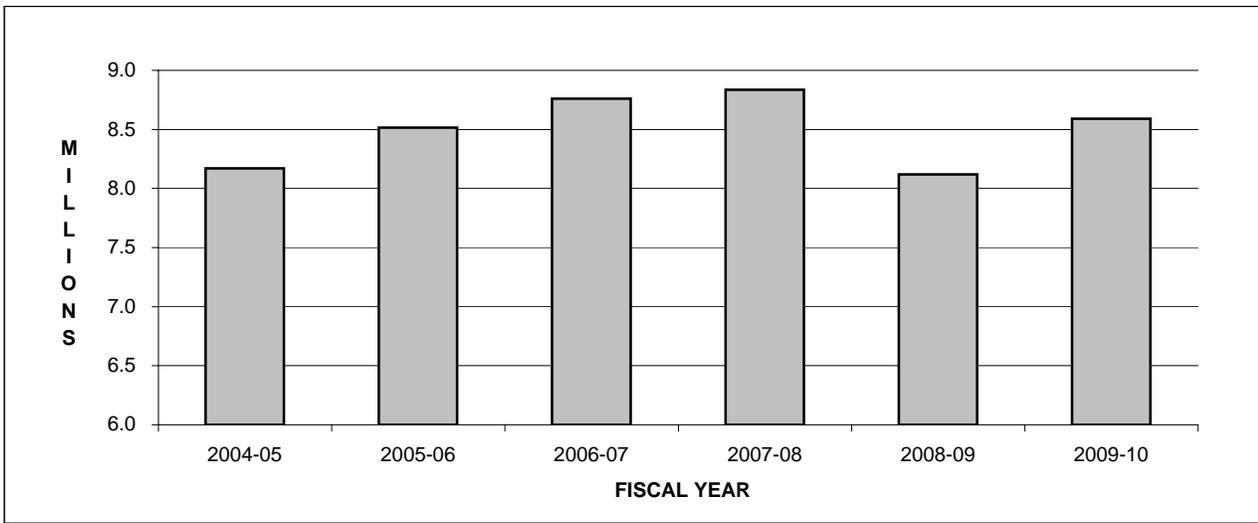
ALCOHOLIC BEVERAGE GROWTH

BEER - GALLONS



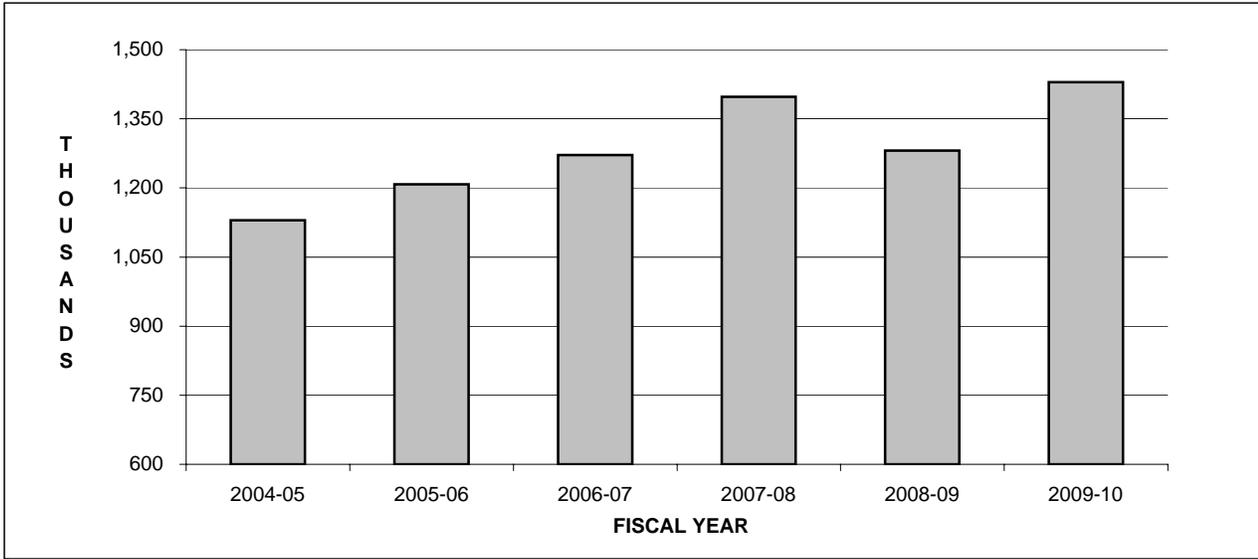
FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
2004-05	73,075,697	2.51%	2007-08	77,423,904	0.10%
2005-06	75,718,958	3.62%	2008-09	75,818,448	-2.07%
2006-07	77,348,980	2.15%	2009-10	72,748,860	-4.05%

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



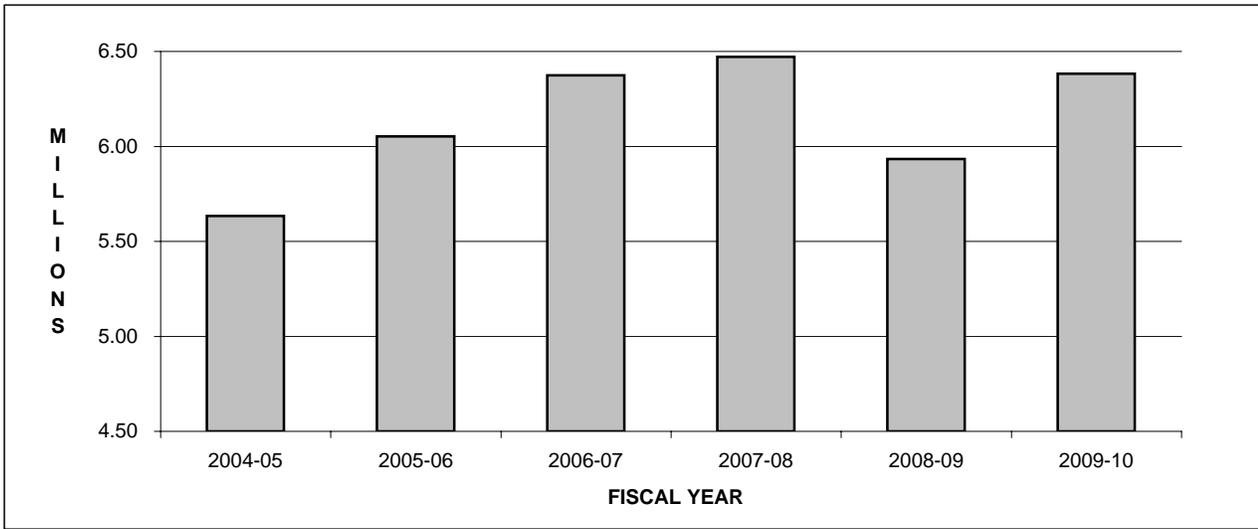
FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
2004-05	8,169,837	3.91%	2007-08	8,834,557	0.84%
2005-06	8,516,246	4.24%	2008-09	8,119,233	-8.10%
2006-07	8,761,174	2.88%	2009-10	8,591,790	5.82%

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



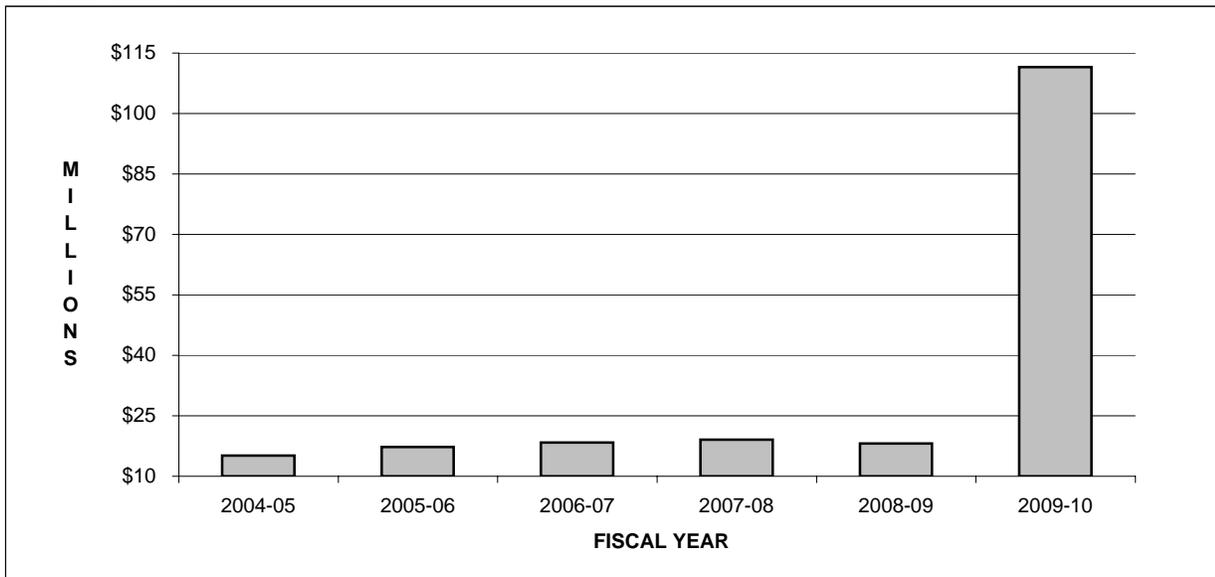
FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
2004-05	1,129,927	5.65%	2007-08	1,397,638	9.95%
2005-06	1,207,998	6.91%	2008-09	1,281,127	-8.34%
2006-07	1,271,165	5.23%	2009-10	1,429,308	11.57%

ALCOHOLIC BEVERAGES OVER 22% ALCOHOL CONTENT BY VOLUME - GALLONS



FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
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%
2006-07	6,373,631	5.29%	2009-10	6,383,442	7.59%

LODGING TAX



FISCAL YEAR	TOURISM	GENERAL FUND	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
2004-05	\$ 15,134,104	-	\$ 15,134,104	13.74%
2005-06	17,279,556	-	17,279,556	14.18%
2006-07	18,363,565	-	18,363,565	6.27%
2007-08	19,076,477	-	19,076,477	3.88%
2008-09	18,163,309	-	18,163,309	-4.79%
2009-10	13,842,014	\$97,671,733	111,513,747	513.95%

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. 3/8 of the first 1 percent of the gross receipts from the rental of transient lodging 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.

In counties with populations greater than 300,000, an additional tax of up to 3 percent on the rental of transient lodging is remitted to the Department of Taxation for distribution to the State General Fund.

CURRENT DISTRIBUTION OF REVENUE

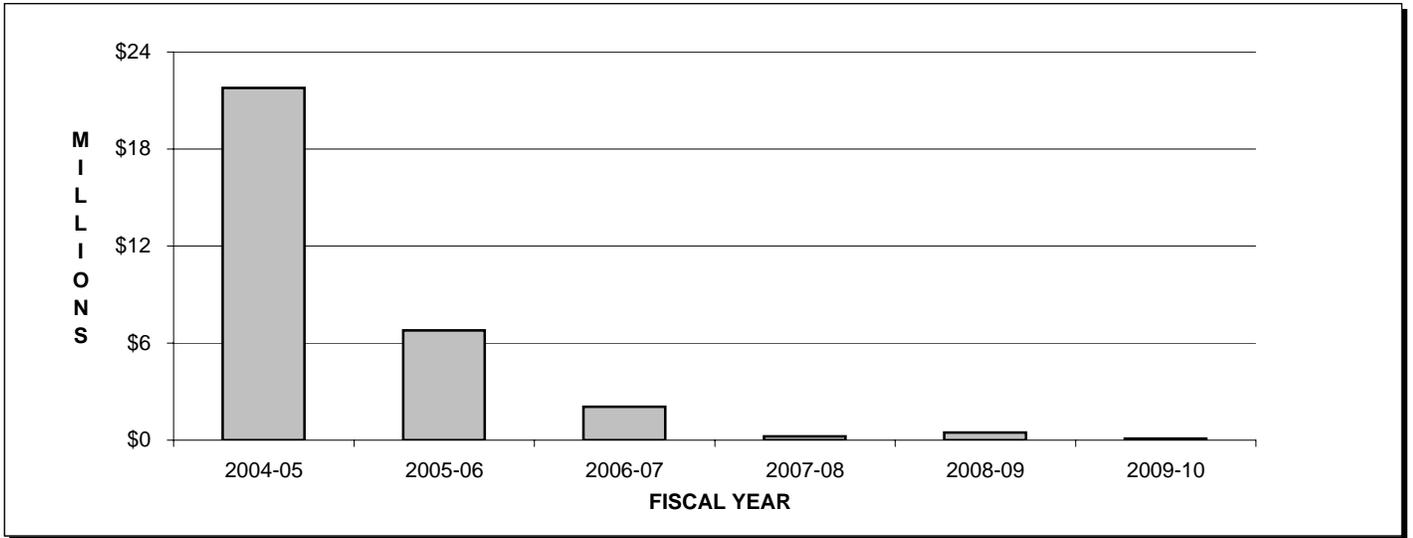
Proceeds of the tax are deposited by the Department with the State Treasurer for credit to the fund for the promotion of tourism and to the State General Fund.

HISTORY

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

AMENDMENTS Initiative Petition 1 of the 2009 Session of the State Legislature imposed an additional 3 percent tax in counties with populations greater than 300,000 for remittance to the State General Fund. If the lodging tax rate on July 31, 2008 was under 10 percent, an additional lodging tax rate of 3 percent will be imposed. If the lodging tax rate exceeded 10 percent on July 31, 2008, the tax imposed is at a rate equal to the difference between 13 percent and the sum of the rates of the existing taxes. Any increase in the rate of an existing tax after July 31, 2008 does not reduce the rate of the tax imposed under IP 1.

ESTATE TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
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%
2006-07	2,063,308	-69.64%	2009-10	103,739	-77.79%

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)

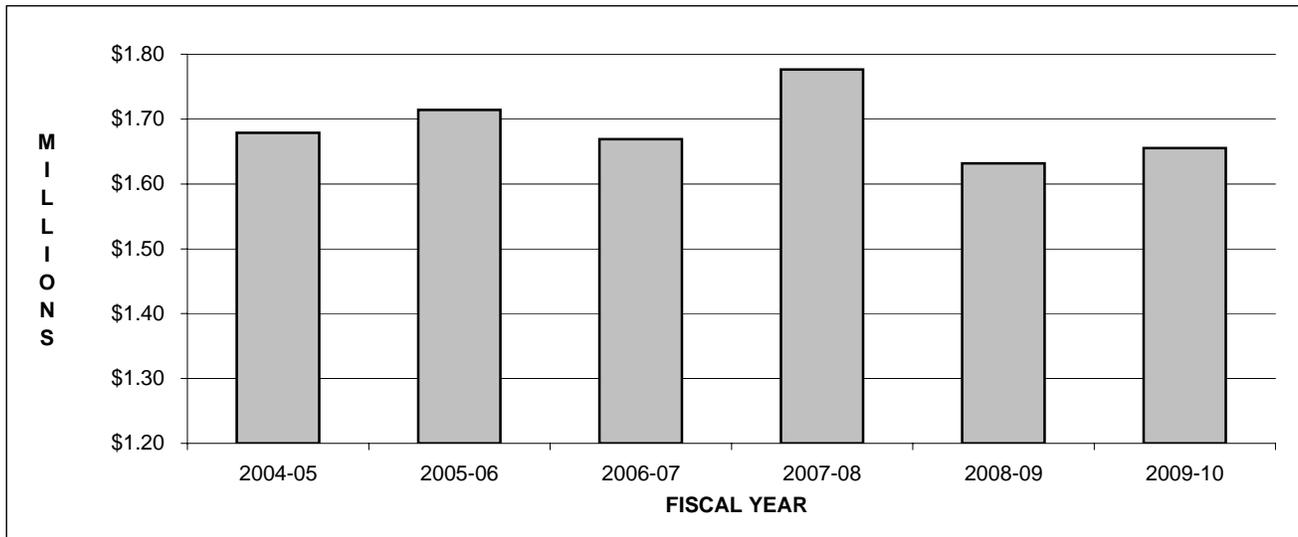
DISTRIBUTION OF ESTATE TAX REVENUE
FISCAL YEAR 2009-10

Department of Taxation administrative costs	\$	-
Reserve for refunds		341,140
Department of Education: Trust Fund for the Education of Pupils		-
University of Nevada System Endowment Fund		-
TOTAL	\$	<u>341,140</u>

ESTATE TAX RESERVE FOR REFUNDS

Beginning balance brought forward July 1, 2009	\$	341,140
Estate tax receipts - Reserve for refunds Fiscal Year 2010		103,739
Balance available	\$	<u>444,879</u>
Less: Refunds issued Fiscal Year 2010		226,232
Ending Balance at June 30, 2010	\$	<u>218,647</u>

TIRE TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
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 *	1,631,512	-8.17%
2009-10	1,655,033	1.44%

* Fiscal Year 2008-09 collections have been adjusted due to an error in the prior report.

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

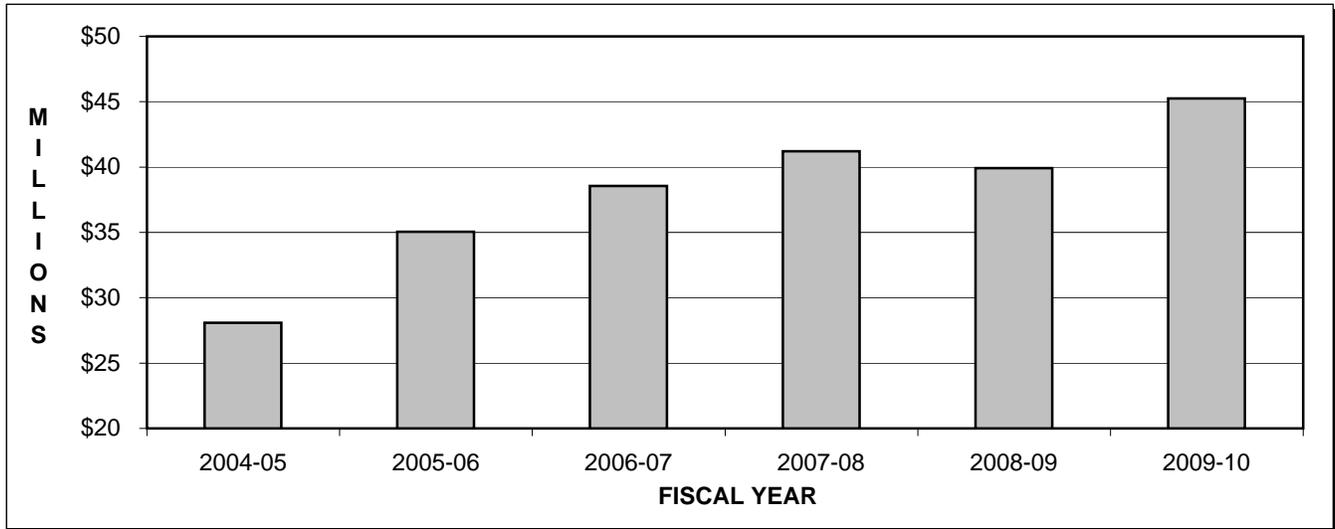
ORIGINALLY ENACTED

1991 Session of the State Legislature.

AMENDMENT

1993 Session of the State Legislature, per Senate Bill 197 and Assembly Bill 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
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%
2009-10	45,258,487	13.35%

LEGAL CITATION

Chapter 482 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

<u>FISCAL YEAR</u>	<u>HIGHWAY FUND</u>	<u>GENERAL FUND</u>	<u>WASHOE COUNTY</u>	<u>CLARK COUNTY</u>	<u>COLLECTION ALLOWANCE</u>	<u>TOTAL COLLECTIONS</u>
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
2009-10	3,890,026	33,579,292	1,147,437	6,632,218	9,515	45,258,487

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 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 inter-county nature. Approximately 307 interstate or inter-county 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 2731 assessments including assessments on the 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 47 secured mining property valuations and 105 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 72 net proceeds operators, 101 Operating Mines and 531 royalty recipients currently reporting to Taxation.

The Centrally Assessed properties Section also collects and distributes the Net Proceeds of Minerals Tax and the property tax from interstate or inter-county properties 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 Chapters 350 - Municipal Obligations, and 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.

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 analyzes and publishes improvement factors to be applied to non-reappraised properties, the level of exemption for personal property tax bills, and prepares special studies requested by the Nevada Tax Commission.

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)). 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)). This section also provides training to Assessors through classes and webinars.

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 title documents, to determine whether the transfer of real property was a taxable event.

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 the Nevada Tax Commission. The staff prepares all hearing notices, case files and decision letters.

The Appraiser Certification Board (ACB) 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 staff tracks and maintains a database of all County Appraisers' continuing education credits.

The Committee on Local Government Finance (CLGF) is an eleven member appointed board set by NRS 354 to advise the Department of Taxation on matters affecting local governments and their finances. The staff prepares and delivers reports on the financial condition of local governments, and drafts regulations on local government finance topics for adoption by CLGF.

The Nevada Tax Commission (NTC) The staff prepares and maintains case files from appeals of abatement determinations by County Assessors. Staff also prepares case files for appeals of decisions of penalty and interest waivers by County Treasurers and Assessors. Staff also drafts regulations clarifying statutes in NRS Chapters 360, 361, 361A, 362 and 375.

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.

NUMBER OF CERTIFIED APPRAISERS - JUNE 2010				
JURISDICTIONS	REAL PROPERTY	PERSONAL PROPERTY	REAL AND PERSONAL PROPERTY	TEMPORARY CERTIFICATIONS
Department of Taxation	2	1	11	4
Carson City	1	0	4	1
Churchill	4	3	0	0
Clark	3	2	52	1
Douglas	0	1	5	0
Elko	4	1	4	1
Esmeralda	0	0	1	1
Eureka	2	2	0	0
Humboldt	4	1	0	0
Lander	0	0	2	1
Lincoln	0	0	4	0
Lyon	4	1	3	0
Mineral	0	1	1	0
Nye	2	0	5	0
Pershing	0	0	1	0
Storey	0	1	2	0
Washoe	4	0	27	0
White Pine	2	0	1	0
Independent Contractors	0	1	0	0
TOTAL	32	15	123	9

**STATE BOARD OF EQUALIZATION
2009-10 SUMMARY OF TRANSACTIONS* - UNSECURED PROPERTY VALUATIONS**

UNSECURED 2008-09										
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	22	14	3	-	-	2	3	19	\$0	(\$63,920,198)
DO	1	-	1	-	-	-	-	1	-	-
EL	-	-	-	-	-	-	-	-	-	-
ES	-	-	-	-	-	-	-	-	-	-
EU	-	-	-	-	-	-	-	-	-	-
HU	-	-	-	-	-	-	-	-	-	-
LA	-	-	-	-	-	-	-	-	-	-
LI	-	-	-	-	-	-	-	-	-	-
LY	-	-	-	-	-	-	-	-	-	-
MI	-	-	-	-	-	-	-	-	-	-
NY	1	-	1	-	-	-	-	1	-	-
PE	-	-	-	-	-	-	-	-	-	-
ST	-	-	-	-	-	-	-	-	-	-
WA	19	5	3	-	-	3	8	11	\$0	(\$3,084,674)
WP	-	-	-	-	-	-	-	-	-	-
TOTALS	43	19	8	-	-	5	11	32	-	<b style="color: red;">(67,004,872)
<i>Centrally Assessed Unitary</i>	-	-	-	-	-	-	-	-	-	-
<i>Net Proceeds</i>	3	2	-	-	-	-	1	2	\$0	(15,012,600)
GRAND TOTAL	46	21	8	-	-	5	12	34	-	<b style="color: red;">(82,017,472)

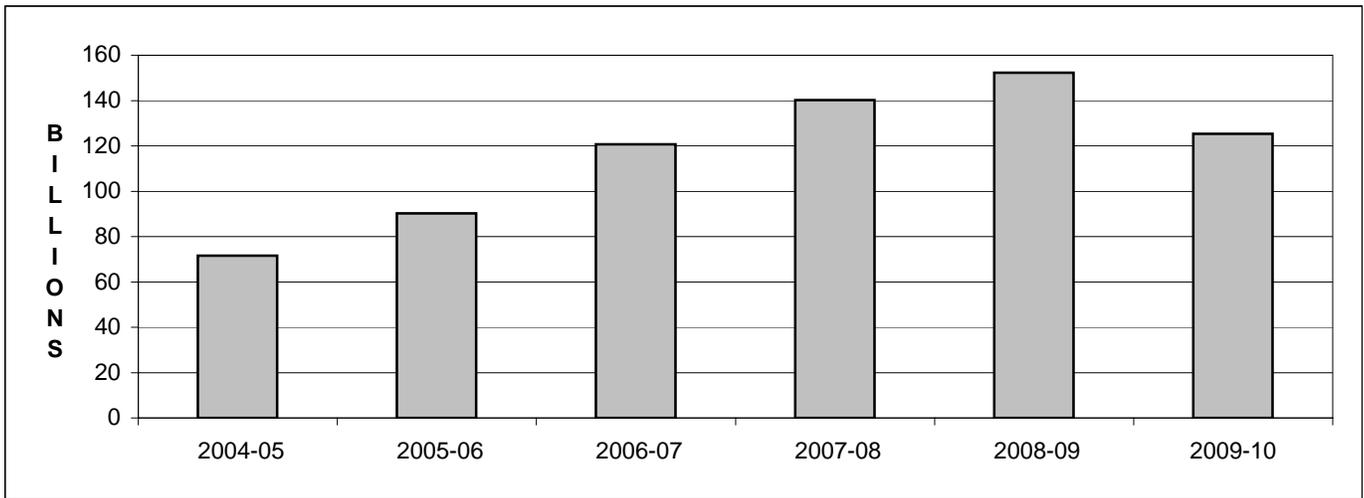
**NET IMPACT
w/o Unitary & NPM**

**(82,017,472)
(67,004,872)**

* 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	% CHANGE FROM PRIOR YEAR
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*	152,562,720,542	8.9%
2006-07	120,714,693,368	33.7%	2009-10	125,545,791,522	-17.7%

*Fiscal Year 2008-09 valuation has been adjusted from the previous Annual Report to reflect updated information.

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.

In addition, the State Board of Equalization is required to equalize property valuations in the state pursuant to NRS 361.395. The State Board also uses the information on county tax rolls and the Department's ratio study to determine if inter-county equalization is necessary (see page 63 for information regarding the amount of valuation increases or decreases as a result of equalization orders).

ASSESSED VALUATION BY PROPERTY CLASSES BEFORE EXEMPTIONS

	2008-09 VALUATION	PERCENT OF TOTAL VALUATION	2009-10 VALUATION	PERCENT OF TOTAL VALUATION
* RURAL LANDS	\$ 119,759,667	0.071%	\$ 129,857,747	0.084%
RURAL LANDS - IMPROVEMENTS	126,109,672	0.074%	153,950,529	0.100%
FARM EQUIPMENT & MACHINERY	28,020,118	0.017%	33,015,006	0.021%
URBAN PROPERTY - LAND	101,241,388,193	59.680%	78,171,132,283	50.712%
URBAN PROPERTY-IMPROVEMENTS	60,191,911,849	35.482%	65,871,539,056	42.733%
OTHER PERSONAL PROPERTY	1,197,368,724	0.706%	1,431,578,668	0.929%
PUBLIC UTILITIES	3,150,538,944	1.857%	4,066,265,091	2.638%
AIRPLANES	417,636,400	0.246%	420,236,534	0.273%
BILLBOARDS	27,323,526	0.016%	39,017,733	0.025%
OPEN SPACE	11,730,241	0.007%	53,254,694	0.035%
MILL & MINE IMPROVEMENTS	889,285,920	0.524%	998,671,940	0.648%
MINING EQUIPMENT & MACHINERY	452,092,960	0.266%	680,867,160	0.442%
MOBILE HOMES	257,544,483	0.152%	232,254,100	0.151%
NET PROCEEDS OF MINES	1,459,623,581	0.860%	1,770,704,563	1.149%
PATENTED MINE CLAIMS	65,900,687	0.039%	88,908,237	0.058%
OIL & GAS LEASES	5,565,190	0.003%	5,686,097	0.004%
TOTAL	\$ 169,641,800,155	100.000%	\$ 154,146,939,438	100.000%

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

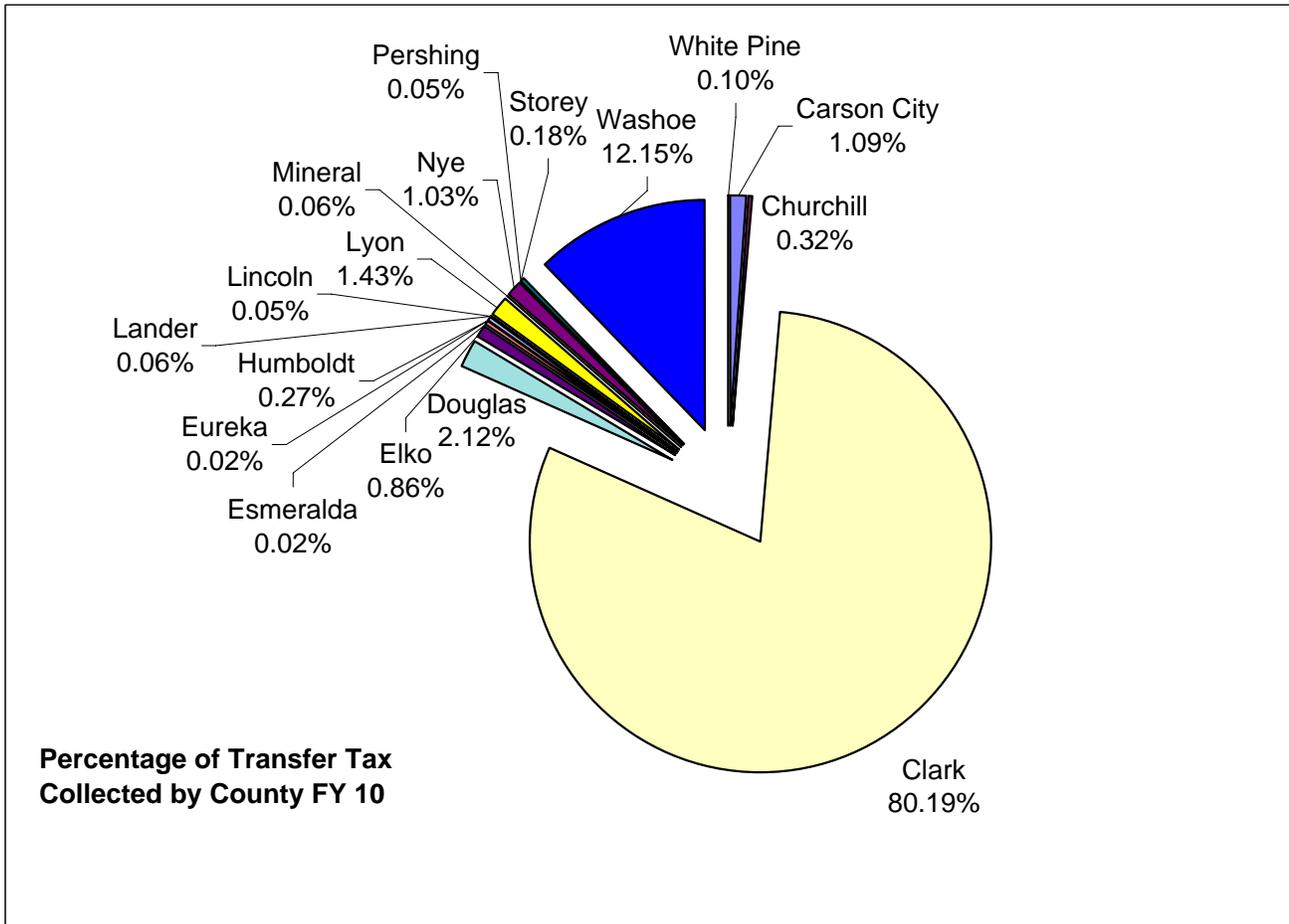
ASSESSED VALUATION BY COUNTIES AFTER EXEMPTIONS

COUNTY	FISCAL YEAR 2008-09	FISCAL YEAR 2009-10	CHANGE	PERCENT CHANGE
CARSON CITY	\$ 1,930,469,667	\$ 1,945,690,087	\$ 15,220,420	0.79%
CHURCHILL	762,094,207	836,395,183	74,300,977	9.75%
CLARK	118,805,669,275	93,875,791,824	(24,929,877,450)	-20.98%
DOUGLAS	3,562,952,984	3,443,953,340	(118,999,644)	-3.34%
ELKO	1,286,138,866	1,367,805,748	81,666,882	6.35%
ESMERALDA	56,402,216	57,397,919	995,703	1.77%
EUREKA	1,507,489,286	1,416,297,663	(91,191,622)	-6.05%
HUMBOLDT	822,937,958	894,493,907	71,555,948	8.70%
LANDER (1)	389,098,093	542,422,484	153,324,392	39.41%
LINCOLN	190,066,106	212,818,003	22,751,897	11.97%
LYON	1,846,471,776	1,645,423,726	(201,048,050)	-10.89%
MINERAL	110,518,481	124,340,120	13,821,639	12.51%
NYE	2,175,346,941	2,096,389,508	(78,957,433)	-3.63%
PERSHING	245,590,819	213,392,088	(32,198,731)	-13.11%
STOREY	567,043,559	634,624,098	67,580,539	11.92%
WASHOE	17,917,428,587	15,832,768,194	(2,084,660,393)	-11.63%
WHITE PINE	387,001,722	405,787,630	18,785,909	4.85%
TOTAL	\$ 152,562,720,542	\$ 125,545,791,522	\$ (27,016,929,020)	-17.71%

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

(1) Higher 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

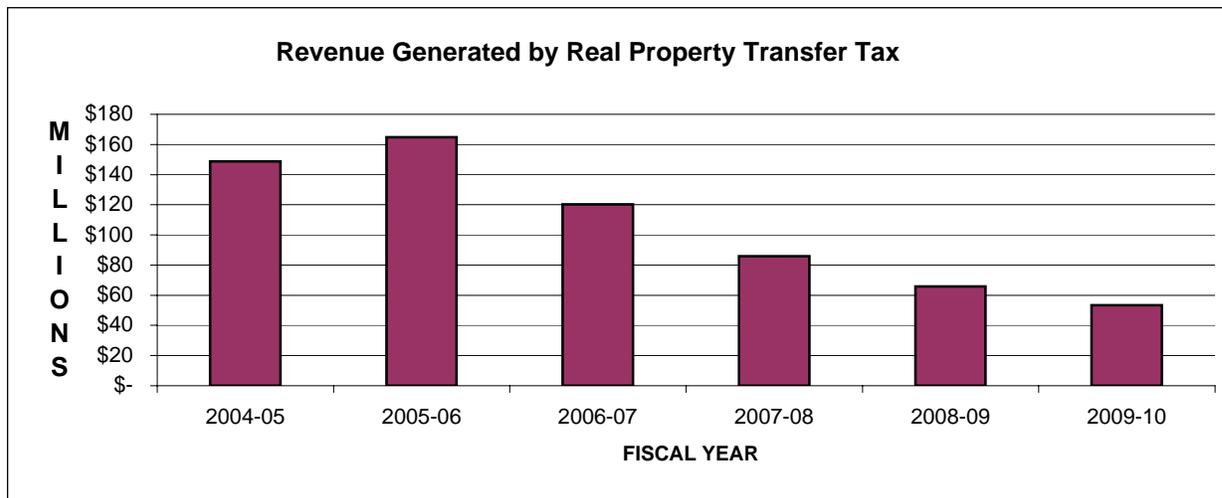
ORIGINALLY ENACTED

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
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%
2009-10	53,315,435	-19.12%

**General Fund Collected for Each Quarter
FISCAL YEAR 2010**

	July - Sept 09 1st Quarter General Fund	Oct - Dec 09 2nd Quarter General Fund	Jan - Mar 10 3rd Quarter General Fund	April - June 10 4th Quarter General Fund
Carson City	\$ 148,422	\$ 129,325	\$ 129,939	\$ 174,071
Churchill	51,620	29,614	37,669	52,164
Clark	11,634,228	11,269,604	8,979,775	10,870,588
Douglas	303,632	314,059	245,196	267,826
Elko	109,649	117,956	111,616	118,969
Esmeralda	4,010	1,246	659	2,099
Eureka	1,013	3,916	3,970	2,250
Humboldt	38,049	35,475	26,036	46,227
Lander	10,981	6,745	5,967	6,502
Lincoln	3,304	12,930	4,722	8,143
Lyon	216,086	171,553	142,158	232,302
Mineral	6,091	5,843	5,297	14,290
Nye	167,395	137,828	121,247	122,017
Pershing	8,683	8,104	3,960	6,894
Storey	40,640	19,490	11,840	26,299
Washoe	1,528,247	1,646,231	1,450,761	1,850,481
White Pine	10,718	12,318	5,771	22,723
TOTAL FOR QUARTER	\$ 14,282,768	\$ 13,922,239	\$ 11,286,585	\$ 13,823,843
TOTAL FOR YEAR	\$ 14,282,768	\$ 28,205,007	\$ 39,491,592	\$ 53,315,435

NET PROCEEDS OF MINERALS

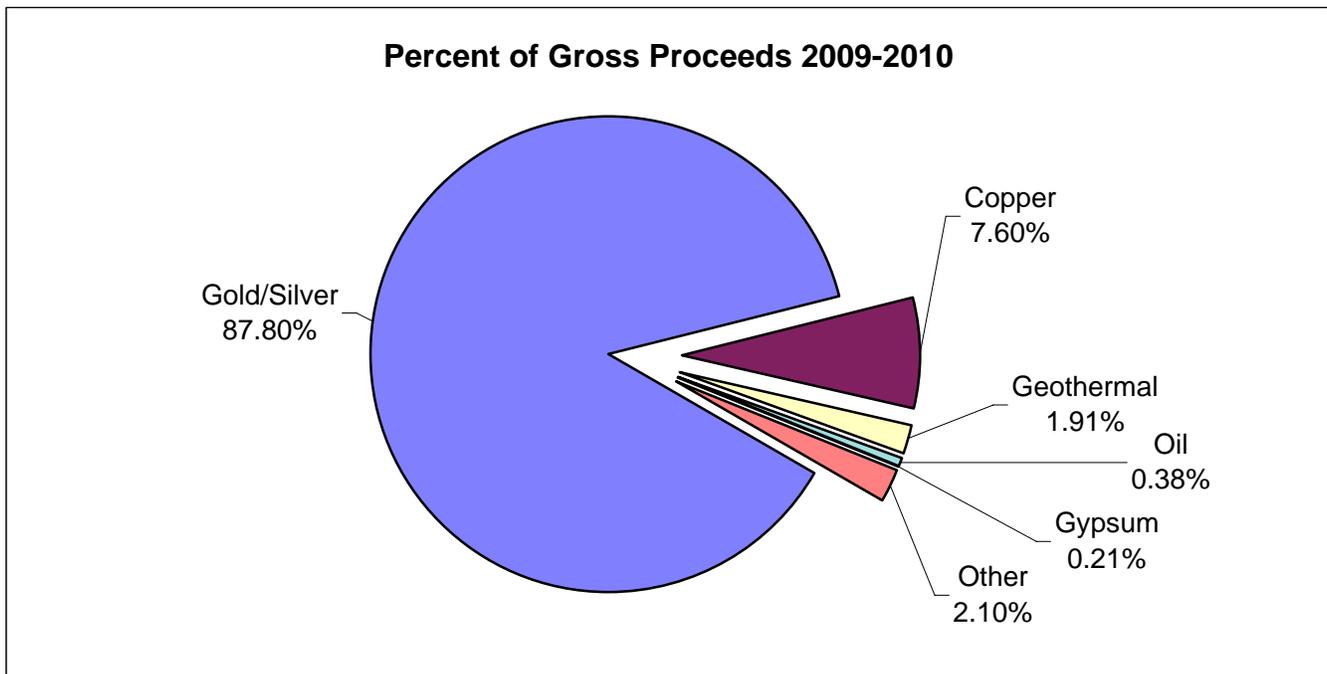
The Nevada Department of Taxation determines the tax on the net proceeds of minerals pursuant to NRS Chapter 362. Producers annually report the gross yield of each separate extractive operation as well as expenses related to the extraction, processing, transportation, and marketing of the mineral. Royalty 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.

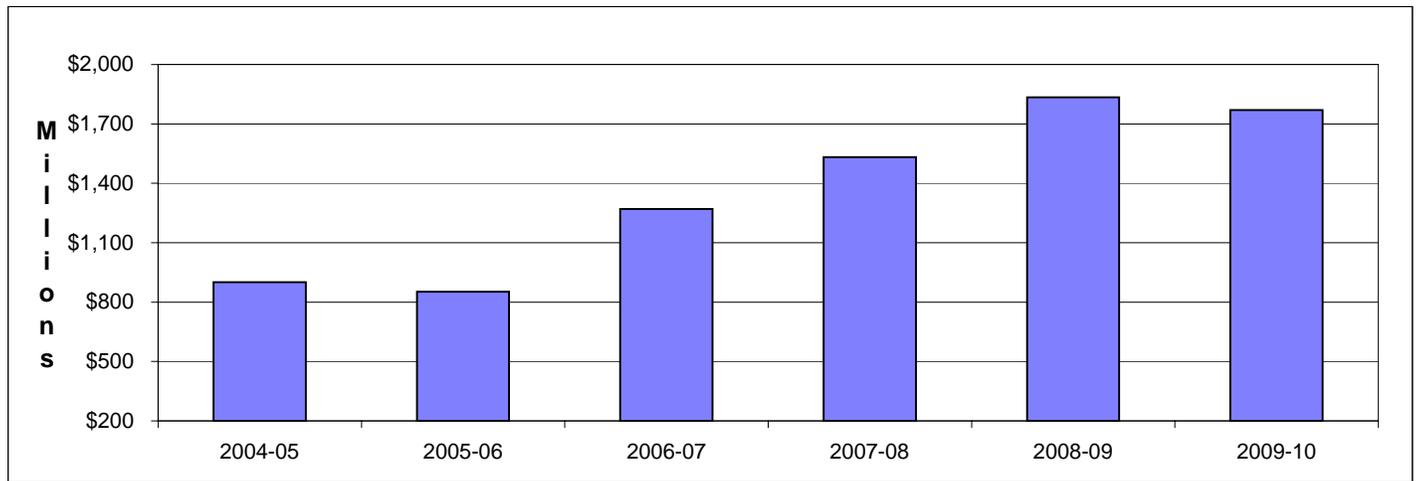
Percent of Total Gross Proceeds by Mineral Type

Mineral Type	Percent of Total Gross Proceeds 2006-2007	Percent of Total Gross Proceeds 2007-2008	Percent of Total Gross Proceeds 2008-2009	Percent of Total Gross Proceeds 2009-2010
Gold/Silver	93.57%	94.12%	87.46%	87.80%
Copper	N/A	N/A	7.19%	7.60%
Geothermal	1.91%	1.61%	1.67%	1.91%
Oil	0.47%	0.46%	0.59%	0.38%
Gypsum	0.34%	0.29%	0.25%	0.21%
Other	3.71%	3.53%	2.84%	2.10%
	100.00%	100.00%	100.00%	100.00%

Other includes: Building Stone, Clay, Copper, 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
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%
2006-07	1,270,839,999	48.98%	2009-10	1,770,704,563	-3.45%

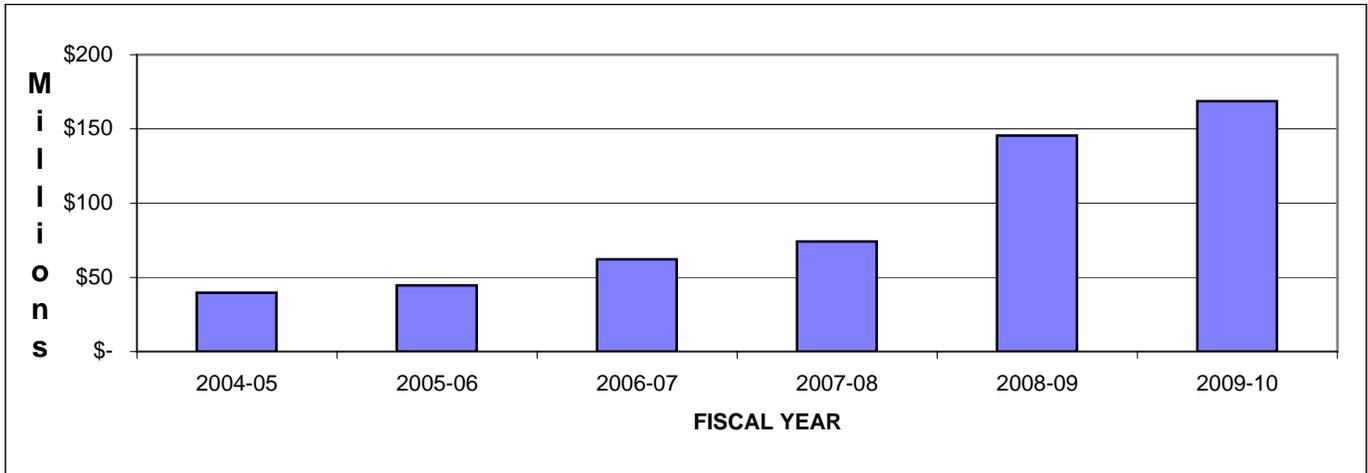
* Based on actual calendar year reports to the Department.

ACTUAL NET PROCEEDS OF MINERALS ASSESSED VALUATIONS BY COUNTY

COUNTY	2005-06	2006-07	2007-08	2008-09	2009-10
Carson City	\$ -	\$ -	\$ -	\$ -	\$ -
Churchill	22,707,635	27,768,929	30,155,943	19,075,744	21,787,396
Clark	3,665,792	3,108,788	1,795,865	2,489,979	2,320,622
Douglas	18,350	24,414	7,264	19,648	171,090
Elko	73,710,852	104,779,095	68,097,906	143,840,923	158,496,177
Esmeralda	126,885	3,234,450	6,495,277	8,602,664	3,494,904
Eureka	270,408,434	458,613,325	568,268,997	898,248,335	773,595,408
Humboldt	52,450,411	122,533,907	268,529,167	247,962,200	249,577,161
Lander	206,044,239	34,374,761	96,274,458	55,436,162	182,403,220
Lincoln	35,799	51,313	47,720	159,986	112,192
Lyon	96,422	101,012	242,093	125,980	92,101
Mineral	7,424,840	5,379,236	3,429,199	5,024,457	10,718,794
Nye	154,270,419	195,164,744	193,586,148	198,471,385	160,724,331
Pershing	19,206,532	51,073,593	51,250,211	60,178,361	28,920,579
Storey	2,015,975	5,771,580	36,640	81,098	287,319
Washoe	2,322,364	4,368,209	4,259,749	2,871,292	7,085,807
White Pine	38,533,818	254,492,643	239,071,488	191,410,650	170,917,462
TOTAL	\$ 853,038,767	\$ 1,270,839,999	\$ 1,531,548,125	\$ 1,833,998,864	\$ 1,770,704,563

Note: The above information may not include adjustments for County and State Board of Equalization pending decisions, and pending or unresolved audits.

NET PROCEEDS OF MINERALS TAX REVENUE COLLECTION AND DISTRIBUTION



FISCAL YEAR	TAX REVENUE	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	TAX REVENUE	% CHANGE FROM PRIOR YEAR
2004-05	\$ 39,690,846	6.80%	2007-08	\$ 74,129,804	19.22%
2005-06	44,524,830	12.18%	2008-09*	145,449,950	96.21%
2006-07	62,178,511	39.65%	2009-10**	168,695,319	15.98%

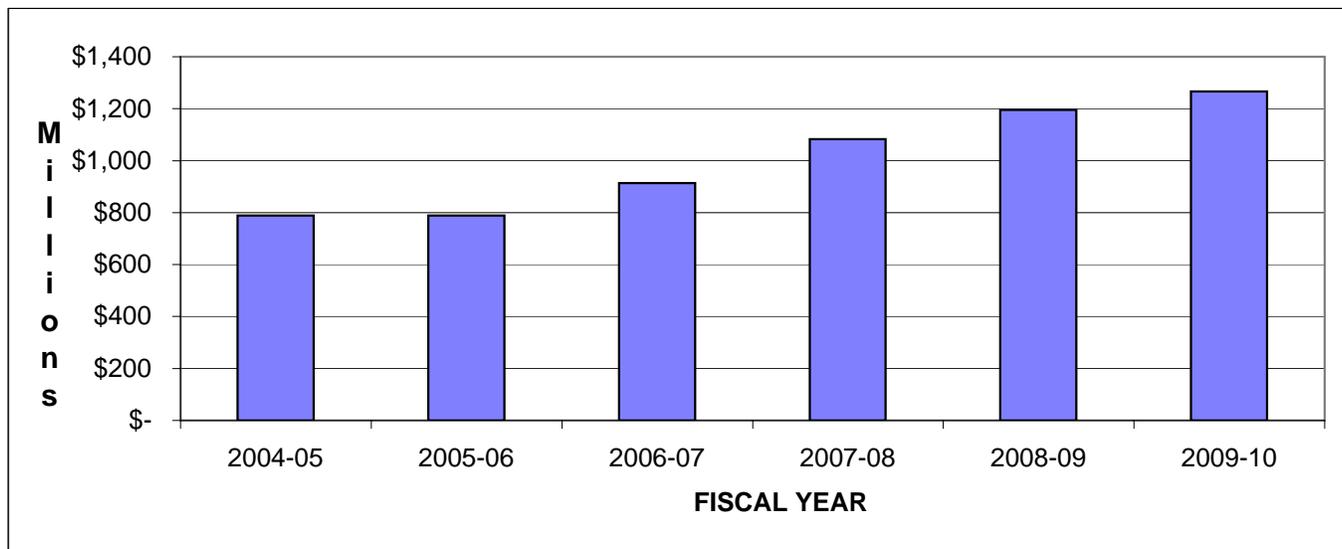
* Fiscal Year 2008-09 tax revenue has been adjusted from the previous Annual Report to reflect projected Net Proceeds collected and distributed during the fiscal year as a result of SB 2.

** Distribution of \$144,189,309 in projected Net Proceeds for Fiscal Year 2010-11 as a result of SB 2 are detailed below.

NET PROCEEDS OF MINERALS TAX DISTRIBUTION FISCAL YEAR 2009-2010

COUNTY	Prior Year Billings	2009-2010 Billings	2010-2011 Projections	TOTAL DISTRIBUTION
Carson City	\$ -	\$ -	\$ -	\$ -
Churchill	137	38,384	654,454	692,975
Clark	-	20,256	62,600	82,856
Douglas	571	-	-	571
Elko	-	1,598,415	5,667,106	7,265,521
Esmeralda	-	96,373	106,856	203,229
Eureka	819,689	5,047,309	13,395,446	19,262,444
Humboldt	1,060	2,886,422	5,415,246	8,302,728
Lander	330	4,110,502	27,588,446	31,699,278
Lincoln	-	45	6,933	6,978
Lyon	-	2,338	305	2,643
Mineral	-	270,688	130,653	401,341
Nye	2,135	1,551,241	7,170,181	8,723,557
Pershing	-	666,514	350,533	1,017,047
Storey	761	9,455	-	10,216
Washoe	88	-	191,439	191,527
White Pine	12,951	1,484,271	6,922,094	8,419,316
TOTAL COUNTY DISTRIBUTION	\$ 837,722	\$ 17,782,213	\$ 67,662,292	\$ 86,282,227
State Debt Service Fund	71,550	1,439,109	4,249,810	5,760,469
State General Fund	1,432,386	2,641,268	72,277,207	76,350,861
State General Fund (Penalties & Interest)	301,761	-	-	301,761
TOTAL	\$ 2,643,419	\$ 21,862,590	\$ 144,189,309	\$ 168,695,318

MINING PROPERTIES - ASSESSED VALUATIONS



FISCAL YEAR	ASSESSED VALUATION	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	ASSESSED VALUATION	% CHANGE FROM PRIOR YEAR
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%
2006-07	913,819,390	15.93%	2009-10	1,266,017,380	5.85%

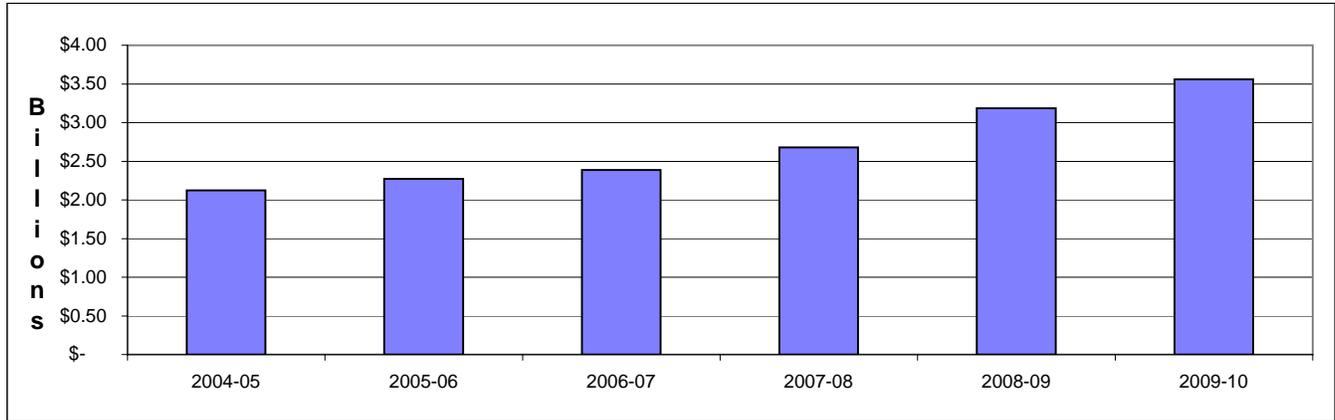
The secured, unsecured, and supplemental assessments form the values for the fiscal years above.

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 2008-09		FISCAL YEAR 2009-10	
	NUMBER OF APPRAISALS	ASSESSED VALUATION	NUMBER OF APPRAISALS	ASSESSED VALUATION*
Carson City	0	\$ -	0	\$ -
Churchill	8	62,377,250	9	108,154,640
Clark	7	16,168,170	7	13,208,910
Douglas	0	-	0	-
Elko	14	85,750,370	17	67,621,930
Esmeralda	8	5,064,460	9	5,801,090
Eureka	20	432,359,010	20	421,047,630
Humboldt	19	169,663,860	21	194,559,120
Lander	20	209,540,720	19	222,928,900
Lincoln	6	258,420	5	257,760
Lyon	8	10,593,590	8	10,596,680
Mineral	2	8,834,170	2	9,484,280
Nye	32	81,439,800	30	81,986,730
Pershing	10	33,855,770	12	31,502,840
Storey	2	3,871,970	2	3,831,720
Washoe	6	40,464,340	6	43,845,870
White Pine	4	35,818,530	5	51,189,280
TOTAL	166	\$ 1,196,060,430	172	\$ 1,266,017,380

*Includes adjustments for county and State Board of Equalization through 2010.

**2009 - 2010 TAX YEAR
INTERSTATE AND INTERCOUNTY VALUATIONS
(ASSESSED VALUE)**



ASSESSMENT YEAR	VALUATION	% CHANGE FROM PRIOR YEAR	ASSESSMENT YEAR	VALUATION	% CHANGE FROM PRIOR YEAR
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%
2006-07	2,387,226,864	5.01%	2009-10	3,559,423,518	11.77%

* FY 2007-08 valuation has been adjusted or revised to reflect updated information.

**CENTRALLY ASSESSED UNITARY AND CONSTRUCTION WORK IN PROGRESS
TAX DISTRIBUTION
FISCAL YEAR 2009-10**

COUNTY	SECURED UTILITIES & 6-Mo CWIP	PRIVATE CARLINES	UNSECURED 12-Mo CWIP and PET	TOTAL TAX
Carson City	\$ 960,754	\$ -	\$ 96,126	\$ 1,056,880
Churchill	1,396,129	6,561	90,896	1,493,586
Clark	36,466,482	12,094	10,454,943	46,933,520
Douglas	839,004	-	73,327	912,331
Elko	2,722,377	28,071	123,951	2,874,399
Esmeralda	575,044	-	38,925	613,969
Eureka	462,213	4,455	27,728	494,396
Humboldt	2,110,123	13,714	111,454	2,235,291
Lander	1,211,176	6,201	93,799	1,311,176
Lincoln	1,214,023	9,444	102,158	1,325,625
Lyon	2,002,766	4,220	160,780	2,167,766
Mineral	759,733	-	56,805	816,538
Nye	1,956,239	-	220,223	2,176,463
Pershing	1,343,750	11,784	106,299	1,461,833
Storey	3,558,960	1,352	108,505	3,668,817
Washoe	8,866,770	13,063	687,829	9,567,661
White Pine	805,673	-	37,947	843,621
Total County Distribution	\$ 67,251,216	\$ 110,960	\$ 12,591,696	\$ 79,953,871
State Debt Service Fund	4,094,786	7,479	753,295	4,855,560
State General Fund - P&I	112,565	14,917	50,617	178,099
TOTAL	\$ 71,458,567	\$ 133,356	\$ 13,395,608	\$ 84,987,531

**2009 - 2010 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	\$ 216,788	\$ 123	\$ 15,386,666	\$ 377,714	\$ 16,638,354	\$ 432,129	\$ -	\$ -	\$ 7,756,265	\$ 679,741	\$ 41,487,780
Churchill	5,087,212	10,379	27,425,479	679,891	10,874,415	213,367	6,155,319	10,022	6,348,283	34,639	56,839,006
Clark	166,307,043	350,995	1,312,754,687	82,002,231	249,197,195	3,467,975	14,428,099	23,822	35,154,868	709,738	1,864,396,653
Douglas	63,243	383	29,107,828	714,543	3,613,657	93,853	-	-	12,309,114	10,172	45,912,792
Elko	4,867,383	14,499	52,315,525	955,583	5,707,434	148,233	27,952,307	45,119	27,486,103	121,498	119,613,685
Esmeralda	12,031,701	33,500	10,413,128	253,669	-	-	-	-	313,414	8,957	23,054,369
Eureka	2,538,638	9,672	16,351,661	342,176	757,813	19,682	5,399,170	8,690	3,564,547	62,457	29,054,506
Humboldt	4,014,843	44,575	71,353,093	1,149,178	9,275,927	240,913	15,195,945	24,503	7,128,531	224,482	108,651,989
Lander	5,669,579	41,689	28,791,478	706,126	1,442,496	37,464	4,418,489	7,122	4,820,222	128,708	46,063,373
Lincoln	3,713,255	54,667	9,665,764	580,707	19,557,967	1,933	10,525,030	17,377	4,504,050	94,444	48,715,195
Lyon	3,955,837	9,240	49,999,003	1,243,997	13,506,096	317,986	4,191,024	6,882	8,904,456	488,688	82,623,209
Mineral	7,800,088	17,317	16,970,968	424,849	778,836	20,228	-	-	417,912	35,085	26,465,283
Nye	23,823,765	116,256	42,395,812	1,047,233	469,824	12,202	-	-	7,497,889	545,362	75,908,343
Pershing	1,593,794	20,264	31,880,976	789,747	9,931,698	257,945	9,156,012	14,759	2,903,067	124,021	56,672,283
Storey	1,821,111	4,029	124,609,469	10,517,586	3,268,665	24,485	952,424	1,536	463,197	34,658	141,697,160
Washoe	31,386,461	21,488	132,320,766	3,284,966	78,948,623	1,076,004	13,198,181	21,467	56,643,401	4,669,813	321,571,169
White Pine	3,538,058	18,325	12,974,696	144,406	-	-	-	-	7,694,682	131,737	24,501,905
Total	\$ 278,428,800	\$ 767,400	\$ 1,984,717,000	\$ 105,214,600	\$ 423,969,000	\$ 6,364,400	\$ 111,572,000	\$ 181,300	\$ 193,910,000	\$ 8,104,200	\$ 3,113,228,700

NOTE: Airlines Unitary DOES include Secured Unscheduled Airlines \$22,782,800

**2009-2010 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	\$ -	\$ -	\$0	\$ 122,116	\$ 1,264,212	\$ 1,040,663	\$ -	\$ 816,641	\$ 3,243,632
Churchill	16,369	252,318	-	45,592	2,230,729	513,834	53,454	370,966	3,214,574
Clark	12,258,317	474,496	1,767,300	2,526,213	341,669,713	9,548,676	127,058	918,111	354,789,770
Douglas	-	-	-	17,863	2,391,581	226,020	-	14,721	2,650,185
Elko	967,109	1,173,897	-	178,168	3,099,363	356,977	240,653	308,214	4,183,375
Esmeralda	1,318	-	-	423,428	930,736	-	-	10,536	1,364,700
Eureka	42,255	255,332	-	79,364	1,124,888	47,398	46,350	221,586	1,519,586
Humboldt	43,055	667,225	-	59,977	3,696,626	580,173	130,692	448,258	4,915,725
Lander	70,038	197,202	-	53,276	2,363,288	90,222	37,986	328,213	2,872,986
Lincoln	7,248	369,426	-	77,296	2,315,037	295,704	92,686	795,680	3,576,403
Lyon	1,097	153,316	-	80,512	4,051,240	765,779	36,706	635,083	5,569,321
Mineral	2,138	-	-	163,428	1,372,093	48,713	-	41,275	1,625,510
Nye	1,687,882	-	-	548,023	4,646,715	29,386	-	641,495	5,865,618
Pershing	43,737	406,988	-	26,698	2,595,188	621,188	78,723	223,778	3,545,575
Storey	609	41,630	-	32,498	3,146,749	59,378	8,192	49,892	3,296,710
Washoe	2,219,523	453,038	-	169,797	10,732,375	2,620,388	114,499	5,653,987	19,291,046
White Pine	89,104	-	-	81,451	434,917	-	-	491,765	1,008,134
Total	\$17,449,799	\$4,444,869	\$1,767,300	\$4,685,700	\$388,065,450	\$16,844,500	\$967,000	\$11,970,200	\$422,532,850

NOTE: Unsecured Airlines totals \$17,449,800 due to rounding

*CWIP = Construction Work in Progress

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

**2009-2010 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	11	7	0	0	0	8	26	\$ 41,487,780	\$ 3,243,632	\$ 44,731,413
Churchill	30	13	4	174	0	14	235	56,839,006	3,483,261	60,322,267
Clark	69	27	13	114	1	31	255	1,864,396,653	369,289,883	2,233,686,536
Douglas	7	4	0	0	0	5	16	45,912,792	2,650,185	48,562,977
Elko	33	19	1	174	0	20	247	119,613,685	6,324,382	125,938,067
Esmeralda	9	6	1	0	0	6	22	23,054,369	1,366,018	24,420,387
Eureka	24	13	2	174	0	14	227	29,054,506	1,817,173	30,871,679
Humboldt	23	13	2	174	0	13	225	108,651,989	5,626,005	114,277,994
Lander	26	14	2	174	0	15	231	46,063,373	3,140,226	49,203,599
Lincoln	21	15	2	114	0	13	165	48,715,195	3,953,077	52,668,273
Lyon	29	15	1	174	0	16	235	82,623,209	5,723,734	88,346,943
Mineral	15	10	1	0	0	10	36	26,465,283	1,627,648	28,092,930
Nye	20	11	4	0	0	11	46	75,908,343	7,553,500	83,461,843
Pershing	25	13	2	174	0	13	227	56,672,283	3,996,300	60,668,583
Storey	23	12	1	174	0	11	221	141,697,160	3,338,949	145,036,109
Washoe	50	22	9	174	0	22	277	321,571,169	21,963,606	343,534,775
White Pine	18	8	4	0	0	10	40	24,501,905	1,097,238	25,599,143
Total	433	222	49	1,794	1	232	2,731	\$3,113,228,700	\$446,194,818	\$3,559,423,518

* 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, schools and special districts. For the Fiscal Year ended June 30, 2010, this consisted of overseeing the financial activities of 17 counties, 18 incorporated cities, 48 unincorporated towns, 17 school districts, 165 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 & 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 Rates Publication 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 Local Government Indebtedness Report.

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.

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.

Local Government Finance Section (con't)

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 2009-10**

	COUNTY	SCHOOLS	CITIES	TOWNS	DISTRICTS	TOTAL
Carson City	\$ 120,891,996	\$ 85,677,541	\$ -	\$ -	\$ 14,680,680	\$ 221,250,217
Churchill	54,408,897	53,227,796	25,968,315	-	1,411,005	135,016,013
Clark	6,449,346,546	3,714,025,000	2,877,437,669	15,349,319	1,927,413,316	14,983,571,850
Douglas	83,951,259	78,213,309	-	7,623,871	74,626,419	244,414,858
Elko	88,271,439	114,033,074	58,527,203	3,240,400	7,748,469	271,820,585
Esmeralda	7,645,888	2,159,009	-	511,493	-	10,316,390
Eureka	29,743,691	10,474,328	-	12,492,595	2,145,500	54,856,114
Humboldt	28,811,930	33,273,023	9,315,108	-	40,138,625	111,538,686
Lander	21,093,355	13,651,052	-	2,203,755	10,356,203	47,304,365
Lincoln	14,853,692	15,444,359	2,847,180	1,291,766	9,055,960	43,492,957
Lyon	67,171,891	114,423,061	19,908,163	-	15,544,874	217,047,989
Mineral	9,511,730	9,142,250	-	1,728,820	13,420,184	33,802,984
Nye	125,016,589	87,571,357	-	22,257,856	2,904,430	237,750,232
Pershing	13,083,158	12,290,096	2,256,204	50,700	15,690,332	43,370,490
Storey	24,756,262	7,859,485	-	106,500	2,434,579	35,156,826
Washoe	688,862,768	669,498,465	495,016,001	-	518,887,249	2,372,264,483
White Pine	17,176,068	17,121,498	6,413,437	176,755	26,399,406	67,287,164
Multi-county districts					12,680,058	12,680,058
TOTALS	\$7,844,597,159	\$5,038,084,703	\$3,497,689,280	\$ 67,033,830	\$ 2,695,537,289	\$19,142,942,261

* Source: Final budgets filed June 1, 2009