



State of Nevada
DEPARTMENT OF TAXATION
ANNUAL REPORT
Fiscal 2004 - 2005



KENNY C. GUINN
Governor

THOMAS R. SHEETS
Chair, Nevada Tax Commission

CHARLES E. CHINNOCK
Executive Director

STATE OF NEVADA
DEPARTMENT OF TAXATION

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January 15, 2006

The Honorable Kenny C. Guinn
Governor of Nevada
Executive Chambers
Carson City, Nevada 89710

Dear Governor Guinn:

Pursuant to the provisions of NRS 360.100, the Department of Taxation submits herewith the Annual Report for the fiscal year ending June 30, 2005. During 2004-05, gross revenues and distributions changed in the following amounts.

Revenues	2003 - 2004	2004 - 2005	Increase/ (Decrease)	Percent Change
Sales and Use Taxes	\$ 775,255,133	\$ 896,018,368	\$ 120,763,235	15.58%
Local School Support Tax	860,426,453	994,142,938	\$ 133,716,485	15.54%
City/County Relief Tax	860,433,556	994,144,265	\$ 133,710,709	15.54%
Local Option Taxes	325,477,883	395,314,926	\$ 69,837,043	21.46%
Intoxicating Beverage Taxes	36,670,163	39,134,707	\$ 2,464,544	6.72%
Cigarette Tax and Fees	122,747,208	129,683,040	\$ 6,935,832	5.65%
Other Tobacco Products	6,927,276	7,557,607	\$ 630,331	9.10%
Estate Tax	26,018,237	21,774,432	\$ (4,243,805)	-16.31%
Lodging Tax	13,305,505	15,134,104	\$ 1,828,599	13.74%
Net Proceeds of Minerals Tax	37,162,642	39,690,846	\$ 2,528,204	6.80%
Centrally Assessed Property Tax	69,035,179	62,903,566	\$ (6,131,613)	-8.88%
Business Tax and Fees	22,216,500	1,297,383	\$ (20,919,117)	-94.16%
Insurance Premium Tax	194,218,036	215,356,492	\$ 21,138,456	10.88%
Tire Tax	1,632,492	1,678,740	\$ 46,248	2.83%
Government Services Fee	25,925,323	28,091,131	\$ 2,165,808	8.35%
Bank Excise Tax	1,508,192	3,084,456	\$ 1,576,264	104.51%
Business License Fee	11,851,752	14,486,315	\$ 2,634,563	22.23%
Live Entertainment Tax	4,345,868	8,516,031	\$ 4,170,163	95.96%
Modified Business Tax	161,649,489	226,923,505	\$ 65,274,016	40.38%
Real Property Transfer Tax	88,024,737	148,730,974	\$ 60,706,237	68.96%
Total	\$ 3,644,831,624	\$ 4,243,663,825	\$ 598,832,201	16.43%

Distributions	2003 - 2004	2004 - 2005	Increase/ (Decrease)	Percent Change
State General Fund	\$ 1,463,884,437	\$ 1,731,864,001	\$ 267,979,564	18.31%
State Distributive School Fund	68,263,920	79,429,148	11,165,228	16.36%
Local Governments	2,064,950,846	2,387,305,704	322,354,858	15.61%
Other Distributions	16,571,522	18,434,300	1,862,778	11.24%
Estate Tax Reserve, Endowment and Trust Funds	25,844,797	21,600,992	(4,243,805)	-16.42%
State Debt Service Fund	5,316,102	5,029,680	(286,422)	-5.39%
Total	<u>\$ 3,644,831,624</u>	<u>\$ 4,243,663,825</u>	<u>\$ 598,832,201</u>	<u>16.43%</u>

Sincerely,

Charles E Chinnock
Executive Director

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Department of Taxation

Tax Commission

Thomas R. Sheets - Chairman
Charles E. Chinnock – 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. Promote 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 tax.state.nv.us
or one of our offices at the following locations**

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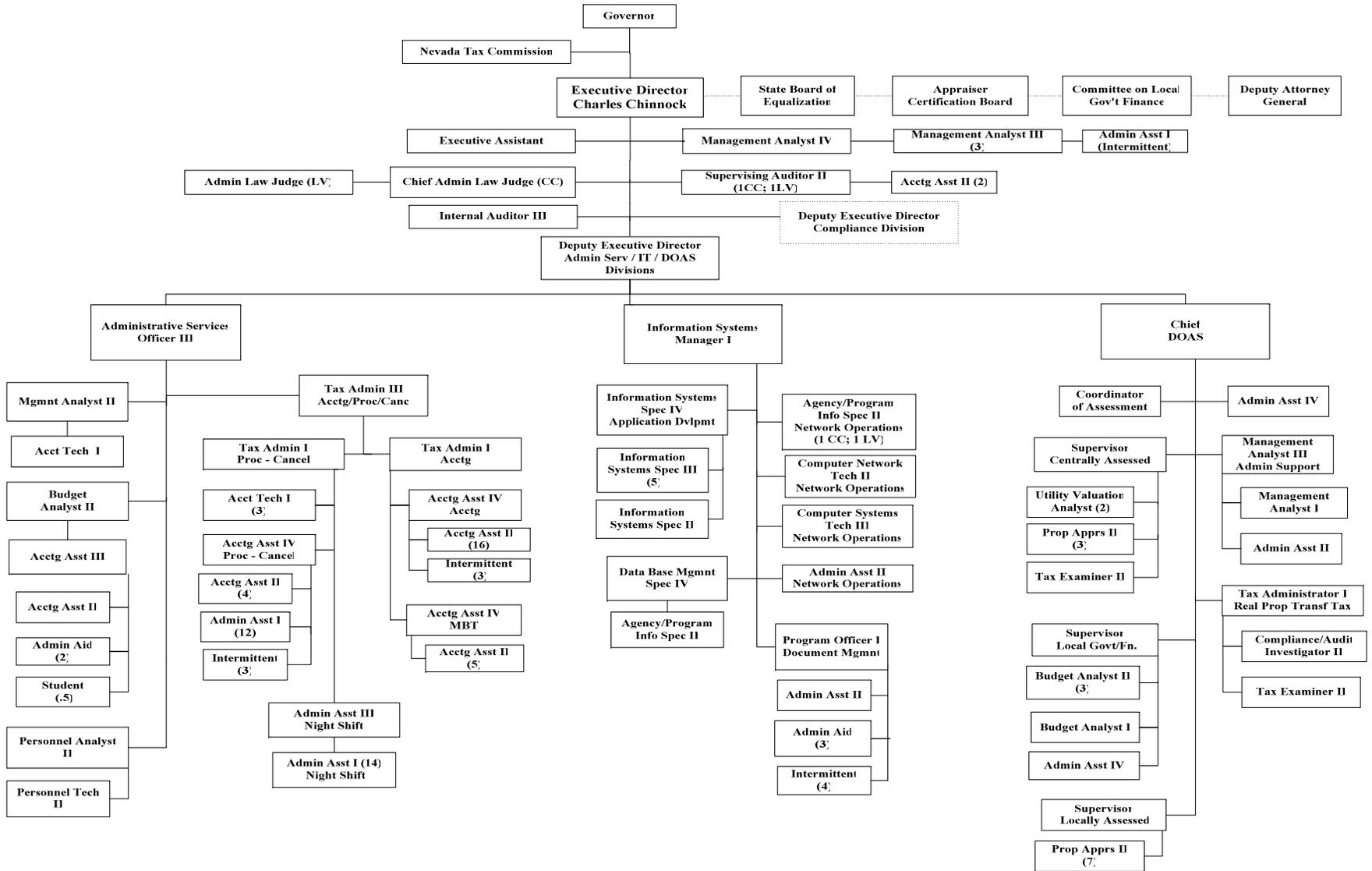
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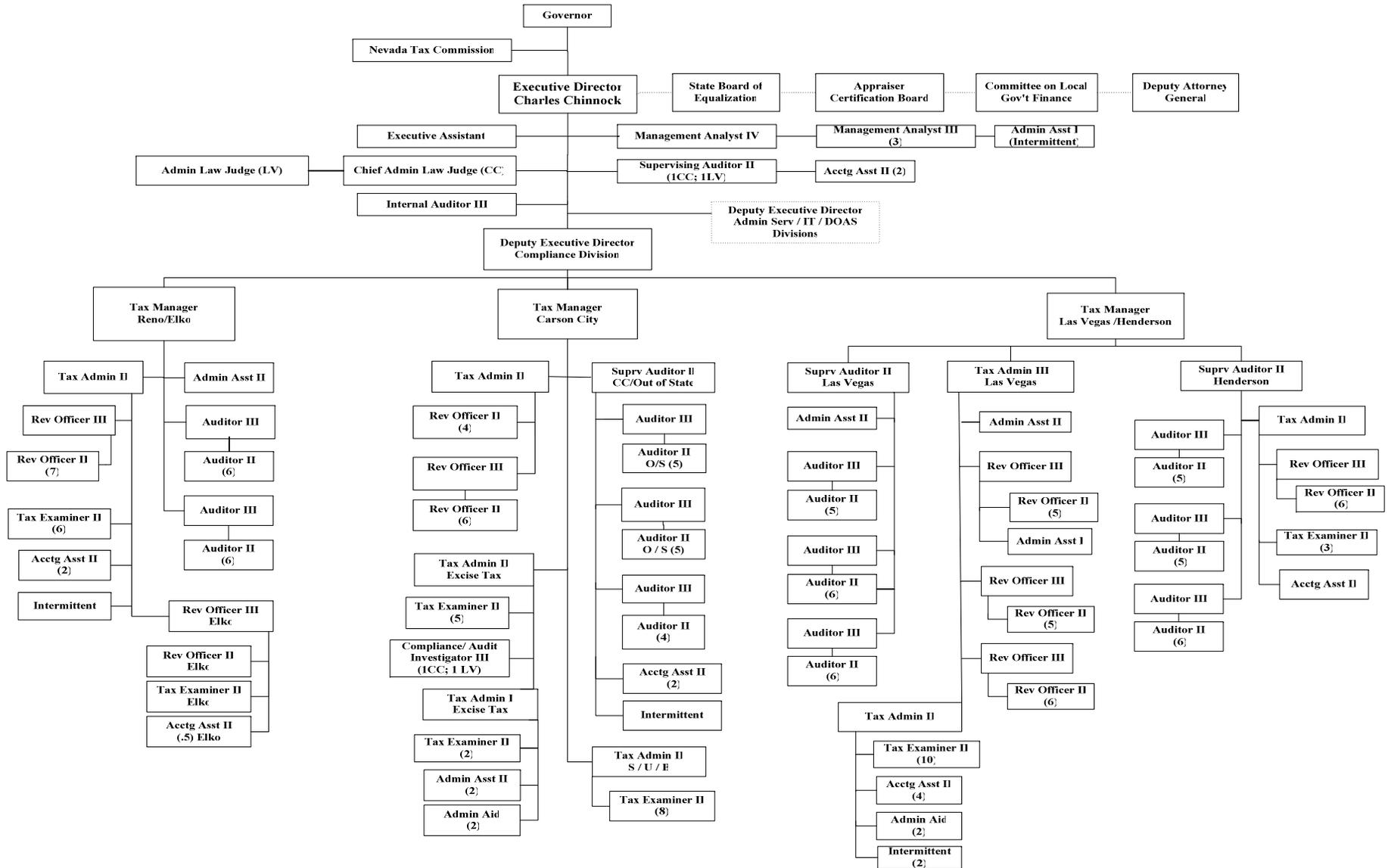
Department of Taxation - Admin Svcs / Info Tech / DOAS Divisions

June 30, 2005

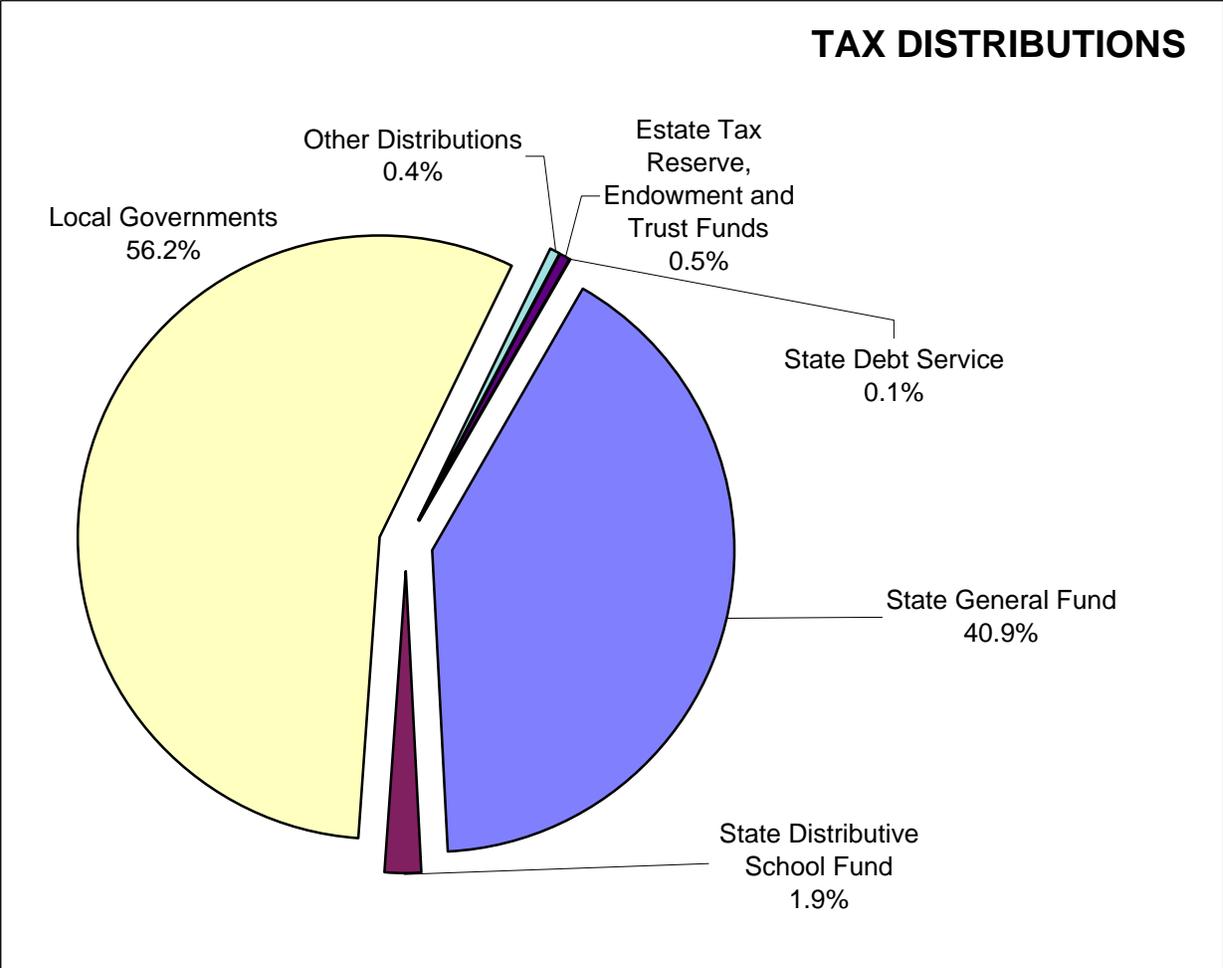
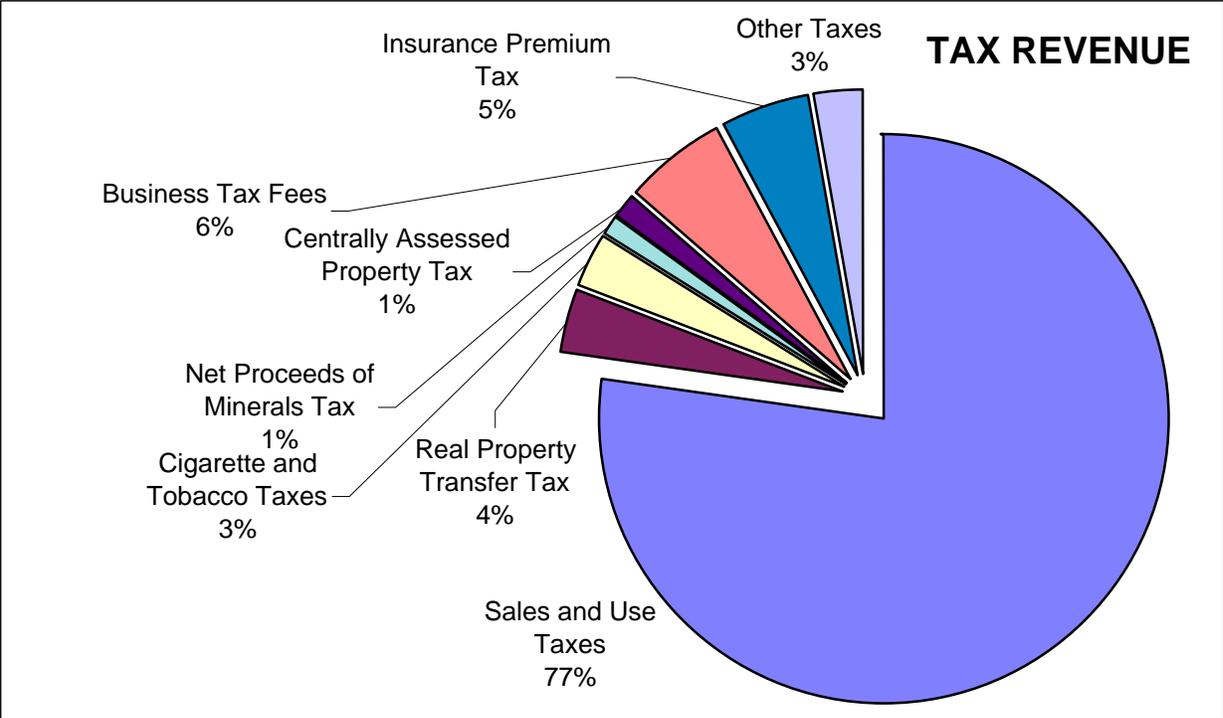


Department of Taxation - Compliance Division

June 30, 2005



TOTAL DEPARTMENT TAX REVENUE AND DISTRIBUTION



DEPARTMENT OF TAXATION

Established April 1913 as the Nevada Tax Commission.

Statutory authority: Chapter 748, 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>
Local Government Budget Act	354
General Provisions (includes Consolidated Tax)	360
Business License Fee	360.760-360.795
Ad Valorem Property Tax	361, 361A, 361B
Net Proceeds of Mines	362
Bank Excise Tax	363A.120
Modified Business Tax	363A, 363B
Tax on Rental of Transient Lodging	364.125
Business Tax	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
Open Space Land Tax	376A
City/County Relief Tax	377
Tax for Public Transportation and Promotion of Tourism	377A
Tax for Infrastructure	377B
Residential School Construction Tax	387.332
Tire Tax	444A.090
Short Term Lease Fee	482.313
Insurance Premium Tax	680B

DEPARTMENT OF TAXATION ADMINISTRATION

Charles Chinnock
Executive Director

Dino DiCianno
Deputy Executive Director

Thomas A. Summers
Deputy Executive Director

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. 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 Kenny C. Guinn, Ex Officio Member

Thomas Sheets, Chairman
Robert Barengo, Member
Ann Bersi, Ph.D., Member

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

David Turner, Member
Hank Vogler, Member

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.

Clay Fitch, Chairman	Steven Johnson, Member	Fred "Wes" Smith, Member
Dr. Richard Mason, Member	Michael Cheshire, 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	Steve Hanson, Member	John Sherman, Member
Michael R. Alastuey, Vice-Chairman	Marty Johnson, Member	Douglas Thunder, Member
Bob Anderson, Member	Alan Kalt, Member	Mary Walker, Member
Andrew Green, Member	Beth Kohn-Cole, 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.

David Adams, Chairman	Norma Green, Member	Greg Worms, Member
Jeff Johnson, Member	Joel Flamenbaum, Member	John Faulkner, Member

DEPARTMENT ORGANIZATION AND FUNCTION

The Department of Taxation has four major divisions; the Administrative Services/Fiscal Division, Information Services Division, the Compliance Division, which is subdivided into the Revenue and Audit sections, and the Division of Assessment Standards, which includes the Local Government Finance Section.

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, Personnel and Support Services/Mailroom.

Information Services maintains statewide LAN/WAN support, PC development and acquisition and DoIT liaison for mainframe programs.

Revenue administers and collects taxes for distribution to the State General Fund, other state agencies and to the cities and counties. This section is responsible for the administration and collection of all sales and use taxes, the business license fee and tax, insurance premium tax, cigarette tax, other tobacco tax, liquor tax, lodging tax, live entertainment tax, modified business tax, real property transfer tax, bank excise tax, estate tax and short-term lease fee. Other programs administered that coincide with the sales and use tax program include collecting taxes on vehicles purchased out-of-state for use in Nevada and all aircraft based and licensed in our state. In addition, staff within this section answers questions of taxability, conducts hearings and monitors accounts for compliance with statutes, reporting requirements and general taxpayer education. When the need arises, this section issues tax deficiency notices, approves payment plans, files liens, files withholds, and as a last measure may close an affected business.

Audit administers a comprehensive audit program to insure taxpayer compliance. This section is responsible for ensuring financial compliance with laws relating to all sales and use taxes, the business tax, net proceeds of minerals tax, motor fuel and jet fuel tax, cigarette and other tobacco tax, liquor tax, tire tax and special drug manufacturing tax. In addition, staff with this section educates taxpayers in proper reporting and record keeping requirements to assist them with future reporting and preparing a proper audit trail.

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.

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 for the prevention of the re-occurrence of violations as reported. In addition, the Department is also responsible for annually developing the official estimates of population of the State and the various counties, cities, towns and townships. These estimates, after certification by the Governor, are used for the purpose of distributing certain revenues to counties, cities and towns and to determine the appropriate number of justices of the peace.

The Department maintains five office locations. The headquarters is located in Carson City, with district offices in Henderson, Las Vegas and Reno, and a taxpayer assistance office in Elko. For fiscal year 2004-05, the Department's staff consisted of 323.5 positions statewide, with a budget of \$31,549,194.81.

The audit staff conducted 1,643 sales and use tax audits during Fiscal Year 2004-05. The total net collections from audit billings during this period was \$19,173,515. Net audit collections decreased in FY01 compared to previous years due primarily to the expansion of NRS 360.291, the Taxpayer Bill of Rights, approved by the 1999 Legislature to include: extension of time for the finalization of audit liability; expanded due process rights for audit appeals; etc. Although audits billed in FY01 exceed \$25 million, there is a delay in realized revenue due to these changes. Audits billed may be collected in succeeding fiscal years or may ultimately be reduced through negotiated settlement agreements approved by the Nevada Tax Commission.

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>	
1999-00	1,768	\$20,671,651	
2000-01	1,413	10,023,184	
2001-02	1,796	11,126,994	
2002-03	1,825	12,002,694	
2003-04	1,377	18,014,504	
2004-05	1,643	19,173,515	
	<u>GROSS SALES AND USE TAXES</u>	<u>COLLECTIONS AS % OF GROSS TAX</u>	<u>AUDIT COVERAGE</u>
1999-00	\$2,144,719,866	0.96%	3.34%
2000-01	2,259,364,536	0.44%	2.56%
2001-02	2,288,288,064	0.49%	2.80%
2002-03	2,424,657,995	0.50%	2.62%
2003-04	2,821,593,024	0.64%	1.40%
2004-05	3,279,620,525	0.58%	2.50%

Department Financial Statement

APPROPRIATIONS AND EXPENDITURES
 JULY 1, 2004 - JUNE 30, 2005 - REVERSIONS AS OF JUNE 30, 2005

FUNDING/APPROPRIATIONS	WORK PROGRAM FUNDS	RECEIPTS / EXPENDITURES	RECEIPTS LESS WORK PROGRAM
General Fund Appropriations	\$ 16,692,636	\$ 16,692,636.00	\$ -
Salary Adjustment	246,765	-	-
Balance Forward - SB8/UTS Project	649,804	649,804.00	-
IFC Contingency Fund Allocation	18,594,410	-	-
Audit Fees	62,901	28,072.25	(34,828.75)
Cigarette Tax Administration	428,721	-	-
Short Term Auto Lease Fee	-	3,245.29	3,245.29
Estate Tax Administration	173,440	173,440.00	-
Environmental Protection Transfer	6,989	8,393.70	1,404.70
Justice Court/Township Fees	98,812	122,280.00	23,468.00
Returned Check Charge	23,351	28,607.89	5,256.89
Miscellaneous Revenue	14,339	5,035.71	(9,303.29)
Total Available Funds	\$ 36,992,168	\$ 36,981,410.84	\$ (10,757.16)

EXPENDITURES

Salaries	\$ 17,921,156	\$ 16,639,093.70	\$ 1,282,062.30
Out-of-state Travel	5,828	1,699.49	4,128.51
In-state Travel	177,200	166,691.34	10,508.66
Operating	1,514,202	1,514,202.00	-
Equipment	-	-	-
Out-of-state Audit	67,952	46,257.26	21,694.74
SB8/UTS Project	15,201,768	11,346,178.02	3,855,589.98
Lockbox Program	414,000	375,703.36	38,296.64
Demographer	161,186	161,186.00	-
Cigarette Stamps	103,141	103,131.20	9.80
Information Services	1,331,952	1,116,667.04	215,284.96
Training	20,419	15,596.40	4,822.60
County Assessor/Appraiser Training	10,575	-	10,575.00
Purchasing Assessment	4,460	4,460.00	-
Attorney General Cost Allocation	58,329	58,329.00	-
Total Expenditures	\$ 36,992,168	\$ 31,549,194.81	\$ 5,442,973.19
Reversion June 30, 2005		5,432,216.03	
Difference Work Program less Receipts		(10,757.16)	
Available Funds Accounted for	\$ 36,992,168	\$ 36,992,168.00	

REVERSIONS

To General Fund		5,432,216.03
Balance Forward to Fiscal Year 2006	\$	-
Total Reversion	\$	5,432,216.03

COMPONENTS OF SALES AND USE TAX RATES

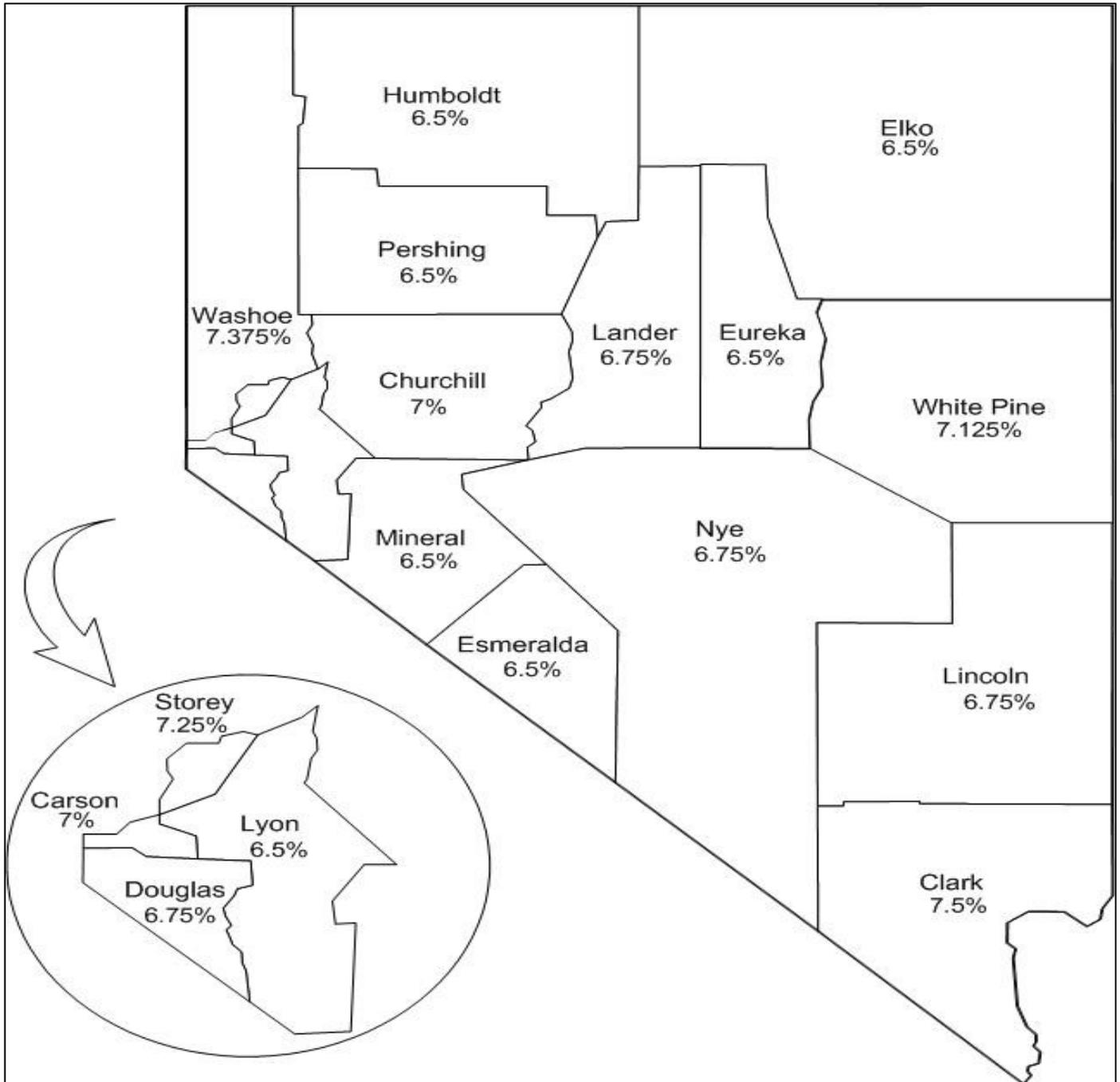
<u>NRS</u> <u>CHAPTER</u>	<u>TAX RATE</u>	<u>TAX DESCRIPTION</u>	<u>DISTRIBUTION</u>
Minimum Statewide Tax Rate			
372	2.00%	Sales Tax	To the General Fund.
374	2.25%	Local School Support Tax	<u>In-State Business Returns</u> : Tax is distributed to the school district in which the business is located. <u>Out-of-State Business Returns</u> : Tax distributed to the State Distributive School Fund.
377	0.50%	Basic City-County Relief Tax	<u>In-State Business Returns</u> : Tax distributed to the county where the sale was made. <u>Out-of-State Business Returns</u> : Tax distributed to counties based on a population formula.
377	1.75%	Supplemental City-County Relief Tax	Tax distributed to all local governments according to statutory formula.
	6.50%	Minimum Statewide Tax Rate	
Option Tax			
Note: The following additional taxes are distributed to the county where the sale was made.			
377A	0.25%	Promotion of Tourism - limited to counties with population of 400,000 or less (voter approval).	Imposed by Storey County.
377A	0.50%	Public Mass Transportation & Construction of Roads (voter approval).	Imposed at .25% by Carson City, Churchill County, Nye County, and White Pine County, .375% by Washoe County, and .50% by Clark County.
377A	0.50%	Public Swimming Pool (voter approval).	Imposed by White Pine County.
543	0.25%	Control of Floods - limited to counties with population of 400,000 or more (voter approval).	Imposed by Clark County.
377B	0.25%	Infrastructure - limited to counties with population less than 100,000 or greater than 400,000 (county commission approval).	Imposed by Clark County, Lander County, Lincoln County and Storey County.
377B	0.125%	Infrastructure - limited to counties with population between 100,000 & 400,000 (county commission approval).	Imposed by Washoe County.
374A	0.125%	Extraordinary maintenance, repair or improvement of school facility	Imposed by White Pine County.
Special Act			
	0.25%	Local Government Tax Act - Washoe & Churchill counties (county commission approval)	Intracounty distributions to local governments according to a statutory formula. Imposed by Churchill County and Washoe County.

Components of Sales and Use Tax Rates (continued)

- 0.25% Tricounty Railway Commission - Imposed by Storey County.
Carson City, Lyon & Storey
counties (voter approval)
- 0.125% Washoe Railroad Grade Project Imposed by Washoe County.
(county commission approval)

Miscellaneous Amendments

- 0.25% Carson City Open Space Tax - Imposed by Carson City.
Amendment to Carson City
Charter.
- 0.25% Douglas County Sales Tax Imposed by Douglas County.
Ordinance of 1999 (voter and
legislative approval)

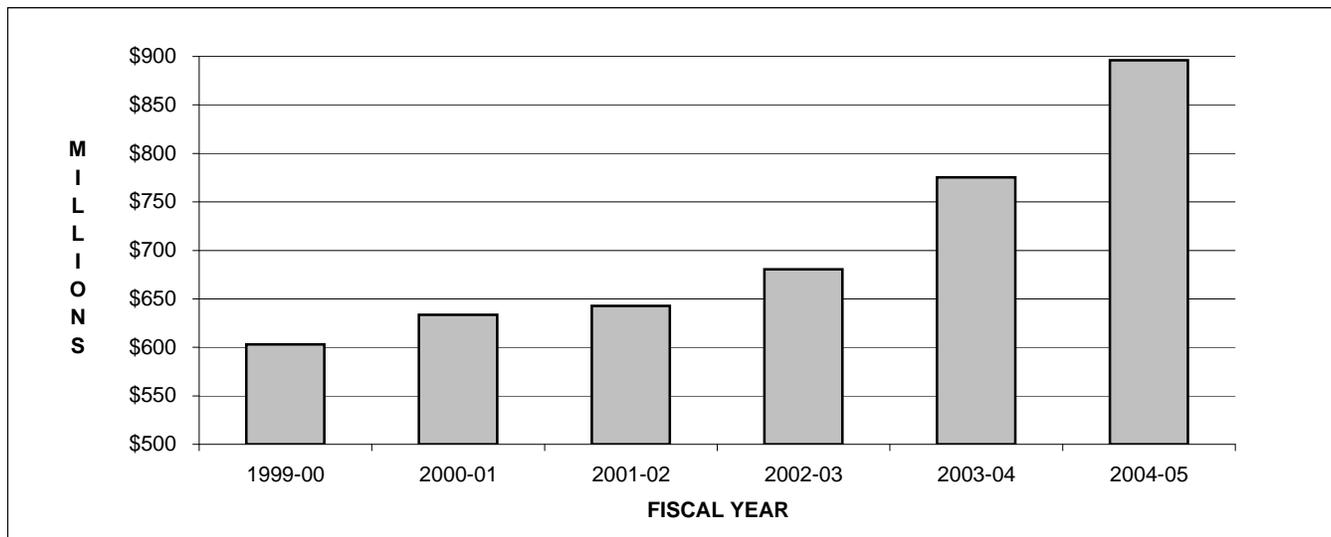


CERTIFIED POPULATION

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 2004-05.

CARSON CITY	55,220	HUMBOLDT COUNTY	16,457
		Winnemucca	7,280
CHURCHILL COUNTY	25,808	LANDER COUNTY	5,277
Fallon	8,301	Austin	271
CLARK COUNTY	1,620,748	Battle Mountain	2,623
Boulder City	14,934	Kingston	271
Henderson	217,448	LINCOLN COUNTY	3,749
Las Vegas	528,617	Caliente	1,184
Mesquite	13,895	Alamo	428
North Las Vegas	146,005	Panaca	541
Bunkerville	1,165	Pioche	659
Enterprise	62,001	LYON COUNTY	41,244
Laughlin	6,952	Yerington	2,902
Moapa	1,364	Fernley	11,718
Moapa Valley	6,323	MINERAL COUNTY	4,687
Mt. Charleston	873	NYE COUNTY	36,651
Paradise	185,304	Gabbs	314
Searchlight	1,073	Amargosa	1,169
Spring Valley	150,402	Beatty	1,079
Summerlin	16,300	Manhattan	135
Sunrise Manor	181,354	Pahrump	28,847
Whitney	20,640	Round Mountain	784
Winchester	34,378	Tonopah	2,481
DOUGLAS COUNTY	45,603	PERSHING COUNTY	6,967
Gardnerville	4,316	Lovelock	2,405
Genoa	229	STOREY COUNTY	3,736
Minden	2,870	WASHOE COUNTY	373,233
ELKO COUNTY	45,805	Reno	195,727
Carlin	2,045	Sparks	78,435
Elko	16,354	WHITE PINE COUNTY	8,842
Wells	1,373	Ely	3,829
West Wendover	4,732	Lund	147
Jackpot	1,271	McGill	1,066
Montello	181	Ruth	372
Mountain City	125	TOTAL STATEWIDE POPULATION	2,296,566
ESMERALDA COUNTY	1,116		
Goldfield	439		
Silver Peak	124		
EUREKA COUNTY	1,420		
Crescent Valley	300		
Eureka	446		

SALES AND USE TAX REVENUE



FISCAL YEAR	TAX	PERMIT FEES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1999-00	\$ 602,861,581	\$ 12,232	\$ 602,873,813	6.49%
2000-01	633,561,837	12,356	633,574,193	5.09%
2001-02	642,714,414	12,357	642,726,771	1.44%
2002-03	680,435,804	11,438	680,447,243	5.87%
2003-04	775,196,218	58,915	775,255,133	13.93%
2004-05	895,961,537	56,830	896,018,368	15.58%

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

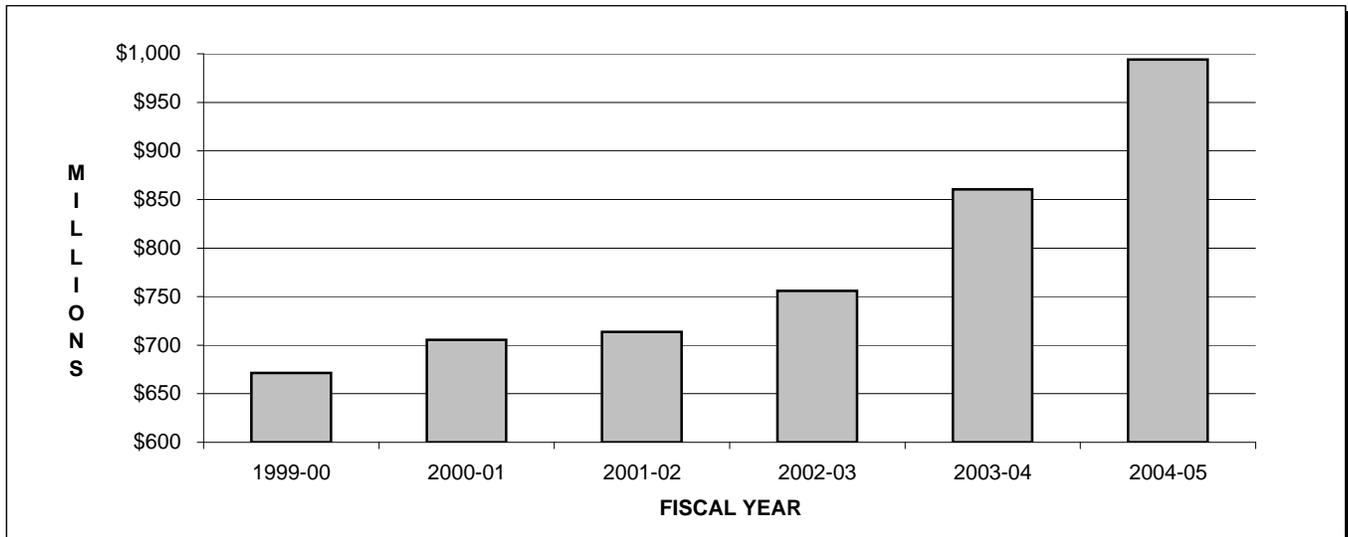
State General Fund since inception.

Sales and Use Tax Revenue (continued)

STATE 2% SALES AND USE TAX COLLECTION BY COUNTY
FISCAL YEAR 2004-05

COUNTY	TAXES AND FEES	% OF TOTAL
Carson City	\$ 20,264,625	2.26%
Churchill	5,581,999	0.62%
Clark	662,531,934	73.94%
Douglas	15,951,360	1.78%
Elko	17,446,496	1.95%
Esmeralda	165,540	0.02%
Eureka	4,028,163	0.45%
Humboldt	8,022,429	0.90%
Lander	3,288,401	0.37%
Lincoln	604,024	0.07%
Lyon	7,669,857	0.86%
Mineral	605,575	0.07%
Nye	9,465,662	1.06%
Pershing	1,114,895	0.12%
Storey	1,654,324	0.18%
Washoe	135,085,913	15.08%
White Pine	2,533,101	0.28%
Out of State	4,071	0.00%
TOTAL	\$ 896,018,368	100.00%

LOCAL SCHOOL SUPPORT TAX REVENUE



FISCAL YEAR	TAX	PERMIT FEES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1999-00	\$ 671,559,112	\$ 12,232	\$ 671,571,344	6.28%
2000-01	705,340,321	12,355	705,352,676	5.03%
2001-02	713,610,084	12,356	713,622,440	1.17%
2002-03	755,910,912	11,438	755,922,350	5.93%
2003-04	860,367,538	58,915	860,426,453	13.82%
2004-05	994,084,828	58,109	994,142,937	15.54%

LEGAL CITATION

Chapter 374 Nevada Revised Statutes.

RATE

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

CURRENT DISTRIBUTION OF REVENUE

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

HISTORY

ORIGINALLY ENACTED

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

RATE

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

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

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

Local School Support Tax Revenue (continued)

DISTRIBUTION

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

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

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

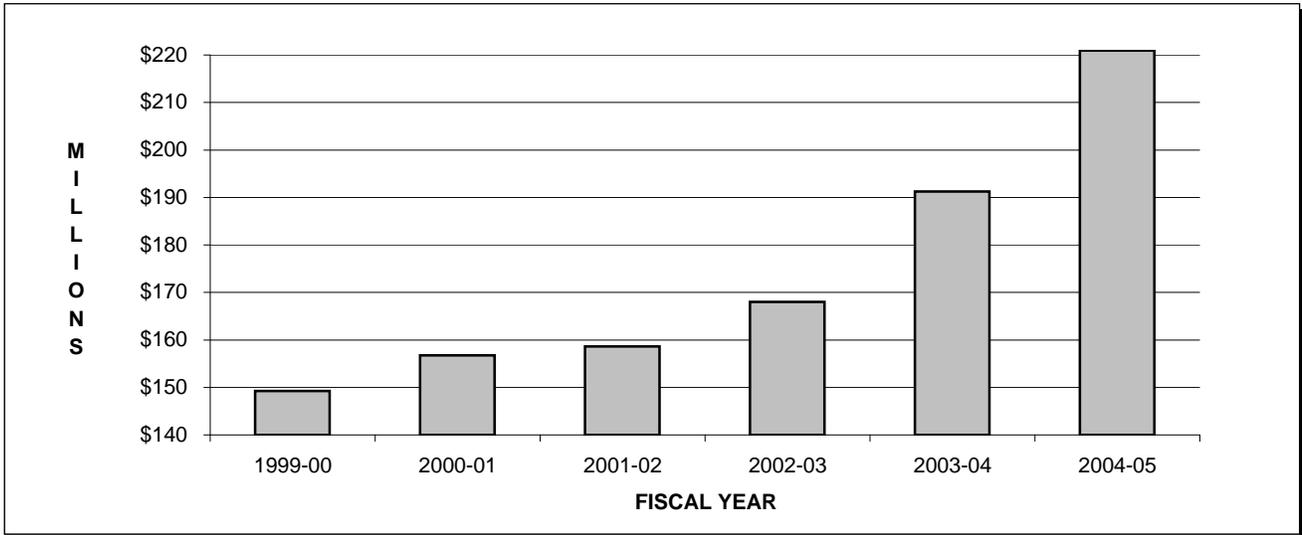
July 1, 1993 - State General Fund Commission increased from .50 percent to 1 percent on in-state and out-of-state collections.

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

LOCAL SCHOOL SUPPORT TAX DISTRIBUTION
FISCAL YEAR 2004-05

COUNTY	TAX	% OF TOTAL
Carson City	\$ 23,430,406	2.36%
Churchill	5,227,001	0.53%
Clark	669,012,541	67.30%
Douglas	17,243,556	1.73%
Elko	19,764,591	1.99%
Esmeralda	49,151	0.005%
Eureka	1,323,789	0.13%
Humboldt	7,304,105	0.73%
Lander	2,027,968	0.20%
Lincoln	361,460	0.04%
Lyon	5,448,445	0.55%
Mineral	455,853	0.05%
Nye	7,486,627	0.75%
Pershing	574,221	0.06%
Storey	504,243	0.05%
Washoe	145,056,434	14.59%
White Pine	1,987,327	0.20%
Total County School District Distribution	\$ 907,257,718	91.26%
State Distributive School Fund	79,429,148	7.99%
State General Fund	7,456,072	0.75%
TOTAL	\$ 994,142,937	100.00%

BASIC CITY/COUNTY RELIEF TAX REVENUE



FISCAL YEAR	TAX	PERMIT FEES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1999-00	\$ 149,237,475	\$ 12,232	\$ 149,249,707	6.28%
2000-01	156,753,973	12,355	156,766,328	5.04%
2001-02	158,584,588	12,356	158,596,944	1.17%
2002-03	167,982,400	11,438	167,993,838	5.93%
2003-04	191,201,330	58,915	191,260,245	13.85%
2004-05	220,909,291	58,672	220,967,964	15.53%

LEGAL CITATION

Chapter 377 Nevada Revised Statutes.

RATE

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

CURRENT DISTRIBUTION OF REVENUE

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

HISTORY

ORIGINALLY ENACTED

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

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

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

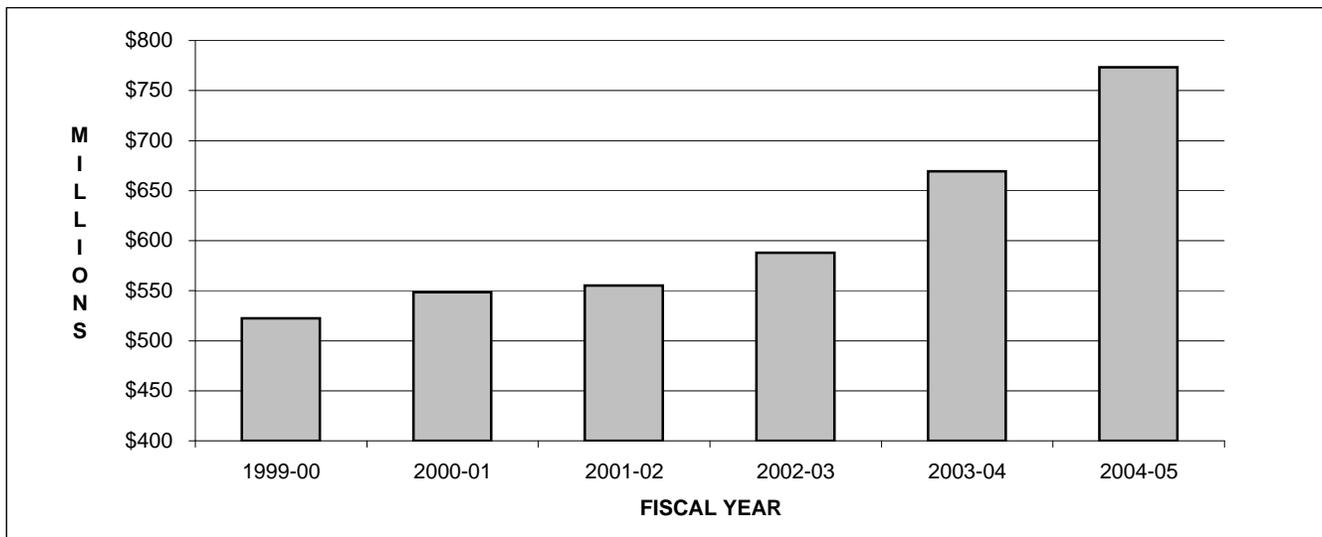
Basic City/County Relief Tax Revenue (continued)

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

BASIC CITY/COUNTY RELIEF TAX TRANSFER
TO CONSOLIDATED TAX
FISCAL YEAR 2004-05

COUNTY	TAX	% OF TOTAL
Carson City	\$ 4,973,911	2.25%
Churchill	1,448,994	0.66%
Clark	162,049,968	73.34%
Douglas	4,053,239	1.83%
Elko	3,956,122	1.79%
Esmeralda	38,254	0.02%
Eureka	895,173	0.41%
Humboldt	1,883,174	0.85%
Lander	728,572	0.33%
Lincoln	160,299	0.07%
Lyon	1,988,103	0.90%
Mineral	176,455	0.08%
Nye	2,471,227	1.12%
Pershing	267,412	0.12%
Storey	308,391	0.14%
Washoe	33,297,349	15.07%
White Pine	614,060	0.28%
 Total County Transfers	 \$ 219,310,704	 99.25%
State General Fund	1,657,260	0.75%
Total	\$ 220,967,964	100.00%

SUPPLEMENTAL CITY/COUNTY RELIEF TAX REVENUE



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1999-00	\$ 522,331,636	6.28%
2000-01	548,639,255	5.04%
2001-02	555,043,630	1.17%
2002-03	587,935,233	5.93%
2003-04	669,173,311	13.82%
2004-05	773,176,301	15.54%

LEGAL CITATION

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

RATE

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

CURRENT DISTRIBUTION OF REVENUE

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

HISTORY

ORIGINALLY ENACTED

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

AMENDMENTS

1983

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

Supplemental City/County Relief Tax Revenue (continued)

AMENDMENTS
(continued)

- 1985 Changed distribution of excess supplemental city/county relief tax receipts. When all entities within a county have received the maximum supplemental city/county relief tax allowable, excess is then deposited in the Reserve Fund. Shifted authority to grant Reserve Fund distributions from the Nevada Tax Commission to the Interim Finance Committee. Established the following maximum Reserve Fund amounts: 1.) \$10,000,000 for distribution to local governments in the event actual receipts in any one year are less than the estimated receipts for that year. 2.) \$2,500,000 for emergency distributions to local governments if unforeseen or uncontrollable conditions, existing or imminent, substantially impair the financial capacity of a local government to provide the basic services for which it was created. 3.) Any amount in excess of \$12,500,000 in the fund, at the beginning of the year, must be distributed to local governments in the following fiscal year.
- 1987 Eliminated redevelopment districts from the distribution of supplemental city/county relief tax.
- 1989 Removed the limitations on the amount of supplemental city/county relief tax a local government may receive in any one fiscal year. Eliminated the Reserve Fund and created the Emergency Fund of the supplemental city/county relief tax. The amount of the fund was set at \$2,500,000. Created the Redistribution Fund for the supplemental city/county relief tax and provided specific dollar allocations to the Town of Laughlin, Clark County, Churchill County and Elko County.
- 1991 Changed distribution of supplemental city/county relief tax at the county level. First a group of selected counties receive a guaranteed distribution from the total collections. The remaining funds are allocated to a second group of counties based on the percentage of county collections to the total collections for the group. Adjustments to ease the impact of the legislation to certain counties are made to the distribution formula. Counties in the guaranteed group will be moved into the point-of-origin group if their collections outpace their distribution by 10 percent in a fiscal year. Intracounty distributions were not amended by the Legislature. The Local Government Tax Act of 1991 authorized certain counties that were negatively impacted by the rebasing of the distribution formula to impose certain taxes to make up the revenue loss.
- 1993 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.
- 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.

SUPPLEMENTAL CITY/COUNTY RELIEF TAX TRANSFER
TO CONSOLIDATED TAX
FISCAL YEAR 2004-05

COUNTY	TAX	% OF TOTAL
Carson City	\$ 17,190,216	2.22%
Churchill	4,731,365	0.61%
Clark	564,835,696	73.05%
Douglas	13,309,680	1.72%
Elko	13,628,225	1.76%
Esmeralda	932,400	0.12%
Eureka	3,354,477	0.43%
Humboldt	6,645,805	0.86%
Lander	2,460,576	0.32%
Lincoln	1,195,164	0.15%
Lyon	8,880,060	1.15%
Mineral	1,746,024	0.23%
Nye	7,317,924	0.95%
Pershing	1,967,028	0.25%
Storey	1,512,492	0.20%
Washoe	114,980,104	14.87%
White Pine	2,690,244	0.35%
Total County Transfers	<u>\$ 767,377,479</u>	<u>99.25%</u>
State General Fund	5,798,822	0.75%
TOTAL	<u><u>\$ 773,176,301</u></u>	<u><u>100.00%</u></u>

SEVERE FINANCIAL EMERGENCY FUND

Fund Balance June 30, 2005 \$ 627,050

Supplemental City/County Relief Tax (continued)

LOCAL GOVERNMENT TAX ACTS OF 1991 AND 1993
SPECIAL FUND COLLECTIONS AND DISTRIBUTIONS
FISCAL YEAR 2004-05

COLLECTIONS

CHURCHILL COUNTY

Sales and Use Tax	\$	678,796
Motor Vehicle Privilege Tax		593,184
Real Property Transfer Tax		45,133
Property Tax		108,169
Interest		2,207
TOTAL	\$	<u>1,427,488</u>

WASHOE COUNTY

Sales and Use Tax	\$	16,547,449
Motor Vehicle Privilege Tax		1,943,469
Gaming License Fee		810,335
Real Property Transfer Tax		1,532,336
Property Tax		3,070,034
Interest		32,359
TOTAL	\$	<u>23,935,981</u>

DISTRIBUTIONS

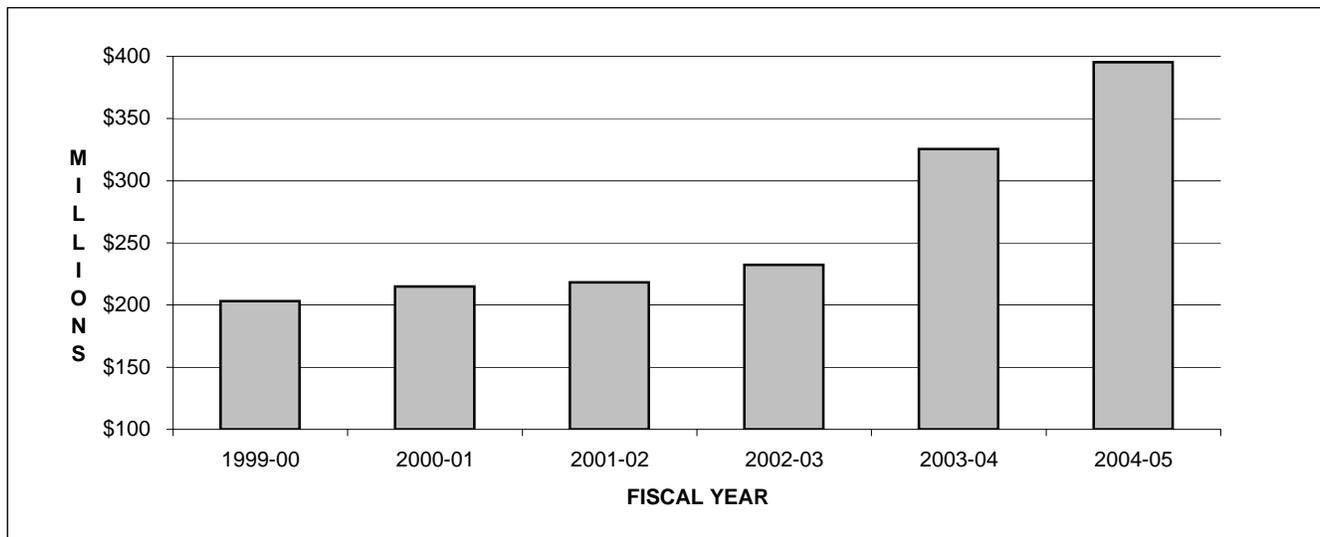
CHURCHILL COUNTY

	\$	1,095,450
Fallon		252,209
Other		79,830
TOTAL	\$	<u>1,427,488</u>

WASHOE COUNTY

	\$	15,932,907
Reno		3,611,125
Sparks		1,721,516
Other		2,670,432
TOTAL	\$	<u>23,935,981</u>

LOCAL OPTION SALES AND USE TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1999-00	\$ 203,093,167	40.92%
2000-01	215,032,084	5.88%
2001-02	218,298,280	1.52%
2002-03	232,359,331	6.44%
2003-04	325,477,883	40.08%
2004-05	395,314,926	21.46%

LEGAL CITATION

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

RATE

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

CURRENT DISTRIBUTION OF REVENUE

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

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.

Local Option Sales and Use Tax (continued)

AMENDMENTS (continued)

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.

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.

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.

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.

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.

Added Chapter 374A, $\frac{1}{8}$ of 1 percent tax for extraordinary maintenance, repair or improvement of school facilities.

Local Option Sales and Use Tax (continued)

LOCAL OPTION SALES AND USE TAXES DISTRIBUTION
FISCAL YEAR 2004-05

COUNTY	USE OF PROCEEDS	DATE IMPOSED	AMOUNT
Option Tax			
Carson City	Public Roads	1/1/1987	\$ 2,428,194
Churchill	Public Roads	11/1/1986	678,796
Clark	Regional Transportation	7/1/1991	161,231,644
Clark	Regional Transportation ¼% increase	10/1/2003	
Clark	So NV Water Authority	4/1/1999	81,025,486
Clark	Flood Control	3/1/1987	81,058,122
Lander	Water Treatment	4/1/2004	407,895
Lincoln	School / Public Utilities	1/1/2001	73,978
Nye	Public Roads	5/1/1986	1,195,729
Storey	Tourism	8/1/1985	177,306
Storey	School / Public Utilities	1/1/2001	177,680
Washoe	Regional Transportation	11/1/1982	24,775,114
Washoe	Regional Transportation ¼% increase	7/1/2003	
Washoe	Flood/Public Safety	4/1/1999	8,260,700
White Pine	School Cap Improvement	4/1/2000	158,010
White Pine	Public Roads	11/1/1986	316,100
White Pine	Swimming Pool	10/1/2003	315,110
Special Acts			
Churchill	Local Government Tax Act	10/1/1991	678,796
Storey	Tricounty Railway Commission	1/1/1996	177,306
Washoe	Railroad Grade Project	4/1/1999	8,260,700
Washoe	Local Government Tax Act	10/1/1991	16,547,449
Miscellaneous Amendments			
Carson City	Open Space	7/1/1997	2,427,960
Douglas	Misc Facilities & Services	7/1/1999	1,977,982
Total to Counties			\$ 392,350,064
State General Fund			2,964,862
TOTAL			<u><u>\$ 395,314,926</u></u>

TAXABLE SALES COMPARISON

Taxable Sales Comparison by County

County	Fiscal Year 2003-04	Fiscal Year 2004-05	% Change
Carson City	\$ 913,494,994	\$ 979,049,466	7.2%
Churchill	240,351,680	280,304,165	16.6%
Clark	28,075,635,576	32,430,309,476	15.5%
Douglas	750,928,087	805,333,654	7.2%
Elko	757,713,710	857,707,369	13.2%
Esmeralda	7,575,411	8,706,757	14.9%
Eureka	162,154,892	194,942,829	20.2%
Humboldt	332,604,955	386,363,972	16.2%
Lander	55,421,085	157,113,661	183.5%
Lincoln	24,130,557	30,023,034	24.4%
Lyon	323,077,763	390,742,554	20.9%
Mineral	36,424,537	31,532,336	-13.4%
Nye	366,330,343	477,920,603	30.5%
Pershing	54,924,991	56,847,402	3.5%
Storey	54,570,795	85,415,672	56.5%
Washoe	6,003,368,280	6,660,263,045	10.9%
White Pine	80,818,882	127,928,232	58.3%
Out of State	-	9,517	100.0%
STATE TOTAL	<u>\$ 38,239,526,538</u>	<u>\$ 43,960,513,744</u>	15.0%

Taxable Sales Comparison by Business Type

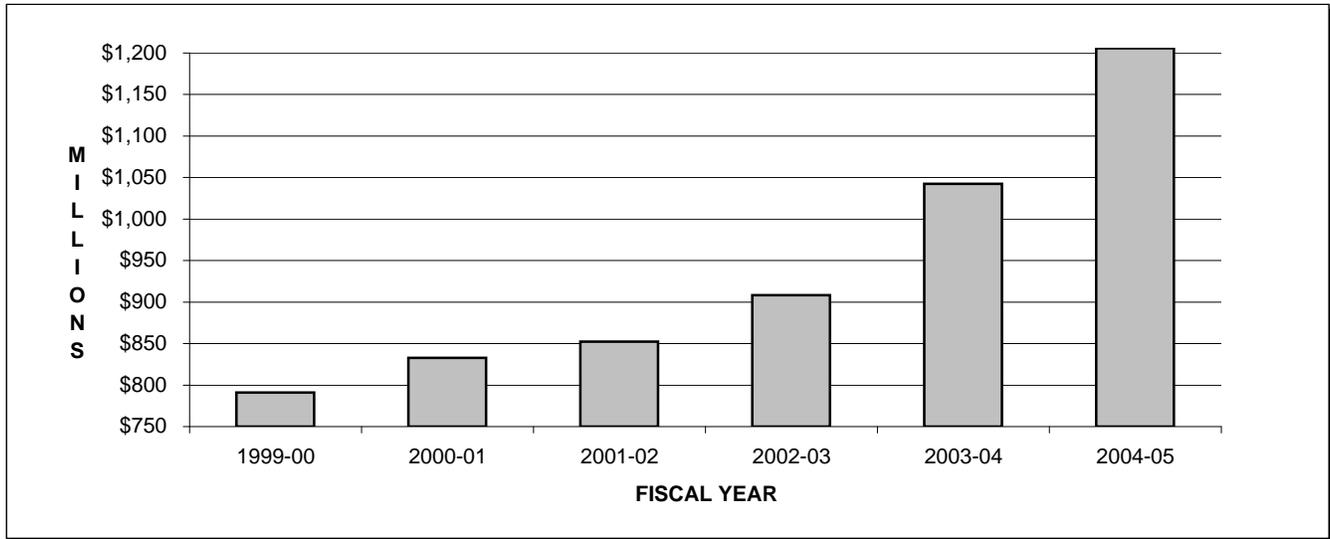
Business Code and Type	Fiscal Year 2003-04	Fiscal Year 2004-05	% Change
01 Agricultural Production-Crops	\$ 4,796,902	\$ 5,624,789	17.3%
02 Agricultural Production-Livestock	4,047,224	4,183,396	3.4%
07 Agricultural Services	49,261,425	57,845,842	17.4%
08 Forestry	619,808	719,698	16.1%
09 Fishing, Hunting, and Trapping	83	-	-100.0%
10 Metal Mining	128,050,298	241,129,519	88.3%
12 Coal Mining	-	-	0.0%
13 Oil and Gas Extraction	7,108,160	10,988,718	54.6%
14 Mining and Quarrying of Nonmetallic Minerals	14,739,795	21,755,489	47.6%
15 Building Construction-General Contractors	207,147,388	182,170,522	-12.1%
16 Heavy Construction other than Bldg. Construction	163,217,555	273,374,327	67.5%
17 Construction-Special Trade Contractors	931,870,795	1,173,248,776	25.9%
20 Food and Kindred Products	26,174,702	37,139,392	41.9%
21 Tobacco Products	534,251	275,362	-48.5%
22 Textile Mill Products	20,487,598	17,965,339	-12.3%
23 Apparel and Other Finished Products	3,126,300	6,269,936	100.6%
24 Lumber and Wood Products, Except Furniture	84,196,746	118,876,876	41.2%
25 Furniture and Fixtures	34,891,314	45,005,466	29.0%
26 Paper and Allied Products	18,647,790	22,486,328	20.6%
27 Printing, Publishing, and Allied Industries	64,312,379	84,627,394	31.6%
28 Chemicals and Allied Products	93,772,116	113,250,252	20.8%
29 Petroleum Refining and Related Industries	33,891,040	37,610,451	11.0%
30 Rubber and Misc Plastics Products	14,299,630	21,663,500	51.5%
31 Leather and Leather Products	349,278	341,472	-2.2%
32 Stone, Clay, Glass, and Concrete Products	188,306,514	247,794,704	31.6%
33 Primary Metal Industries	22,659,883	22,654,276	0.0%
34 Fabricated Metal Products	69,493,699	74,045,001	6.5%
35 Industrial and Commercial Machinery	387,022,576	503,366,092	30.1%
36 Electronic and Other Electrical Equipment	158,758,012	143,096,147	-9.9%
37 Transportation Equipment	37,329,588	60,470,102	62.0%
38 Measuring, Analyzing and Controlling Instruments	41,746,306	47,935,101	14.8%
39 Misc. Manufacturing Industries	140,419,722	189,161,550	34.7%
40 Railroad Transportation	11,126,793	12,600,438	13.2%
41 Local and Suburban Transit	5,086,732	4,921,763	-3.2%
42 Motor Freight Transportation and Warehousing	24,902,801	33,629,252	35.0%
43 United States Postal Service	614,690	308,055	-49.9%
44 Water Transportation	1,184,988	548,447	-53.7%
45 Transportation By Air	23,575,769	13,611,129	-42.3%
46 Pipelines, Except Natural Gas	58,715	67,461	14.9%
47 Transportation Services	5,796,765	6,161,232	6.3%
48 Communications	214,811,778	222,630,043	3.6%
49 Electric, Gas, and Sanitary Services	189,345,085	209,458,032	10.6%
50 Wholesale Trade-Durable Goods	2,353,198,258	2,823,422,793	20.0%
51 Wholesale Trade-Nondurable Goods	424,337,220	496,578,884	17.0%
52 Bldg. Materials, Hardware, Garden, Mobile Homes	2,602,866,968	3,128,687,146	20.2%
53 General Merchandise Stores	3,423,683,317	3,792,043,849	10.8%
54 Food Stores	1,464,944,295	1,523,774,443	4.0%
55 Automotive Dealers and Gasoline	5,814,395,240	6,661,826,150	14.6%

Taxable Sales Comparison by Business Type (continued)

Business Code and Type	Fiscal Year 2003-04	Fiscal Year 2004-05	% Change
56 Apparel and Accessory Stores	\$ 1,667,357,385	\$ 1,976,806,966	18.6%
57 Home Furniture, Furnishings and Equipment	2,230,654,009	2,583,384,274	15.8%
58 Eating and Drinking Places	7,073,034,635	7,808,100,366	10.4%
59 Miscellaneous Retail	3,883,302,731	4,690,304,019	20.8%
60 Depository Institutions	39,940,286	30,836,449	-22.8%
61 Nondepository Credit Institutions	163,765,090	172,187,180	5.1%
62 Security and Commodity Brokers	5,220,689	6,323,387	21.1%
63 Insurance Carriers	1,079,668	1,196,318	10.8%
64 Insurance Agents, Brokers, and Service	15,898,616	10,102,399	-36.5%
65 Real Estate	49,796,470	41,627,011	-16.4%
67 Holding and Other Investment Offices	16,113,362	21,864,142	35.7%
70 Hotels, Rooming Houses, Camps, and Lodging	88,491,711	159,405,621	80.1%
72 Personal Services	123,831,397	135,568,296	9.5%
73 Business Services	1,211,660,420	1,371,184,015	13.2%
75 Automotive Repair, Services, and Parking	1,087,561,259	1,184,365,623	8.9%
76 Miscellaneous Repair Services	215,321,567	151,079,984	-29.8%
78 Motion Pictures	67,013,128	71,733,946	7.0%
79 Amusement and Recreation Services	576,163,952	587,526,490	2.0%
80 Health Services	85,623,087	75,362,957	-12.0%
81 Legal Services	1,222,866	1,641,646	34.2%
82 Educational Services	7,960,562	7,370,278	-7.4%
83 Social Services	1,089,227	1,362,082	25.1%
84 Museums and Art Galleries	648,336	594,038	-8.4%
86 Membership Organizations	7,850,004	9,975,634	27.1%
87 Engineering, Accounting, Research and Mgt.	50,253,974	95,744,815	90.5%
88 Private Households	63	-	-100.0%
89 Miscellaneous Services	6,093,887	9,453,140	55.1%
91 Executive, Legislative and General Govt.	175	892	100.0%
92 Justice, Public Order, and Safety	-	29,222	0.0%
93 Public Finance, Taxation, and Monetary Policy	-	-	0.0%
94 Administration of Human Resource Programs	131,338	137,615	4.8%
95 Administration of Environmental Quality	139,312	143,164	2.8%
96 Administration of Economic Programs	72,566	75,446	4.0%
97 National Security and International Affairs	-	-	-100.0%
99 Nonclassifiable Establishments	51,026,475	59,681,395	17.0%
STATE TOTAL	<u>\$ 38,239,526,538</u>	<u>\$ 43,960,513,744</u>	15.0%

The above comparisons for Fiscal Year 2003-04 and Fiscal Year 2004-05 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
1999-00	\$ 791,066,429	7.27%
2000-01	832,780,552	5.27%
2001-02	852,528,895	2.37%
2002-03	908,388,329	6.55%
2003-04	1,042,616,446	14.78%
2004-05	1,205,661,429	15.64%

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 2004-05

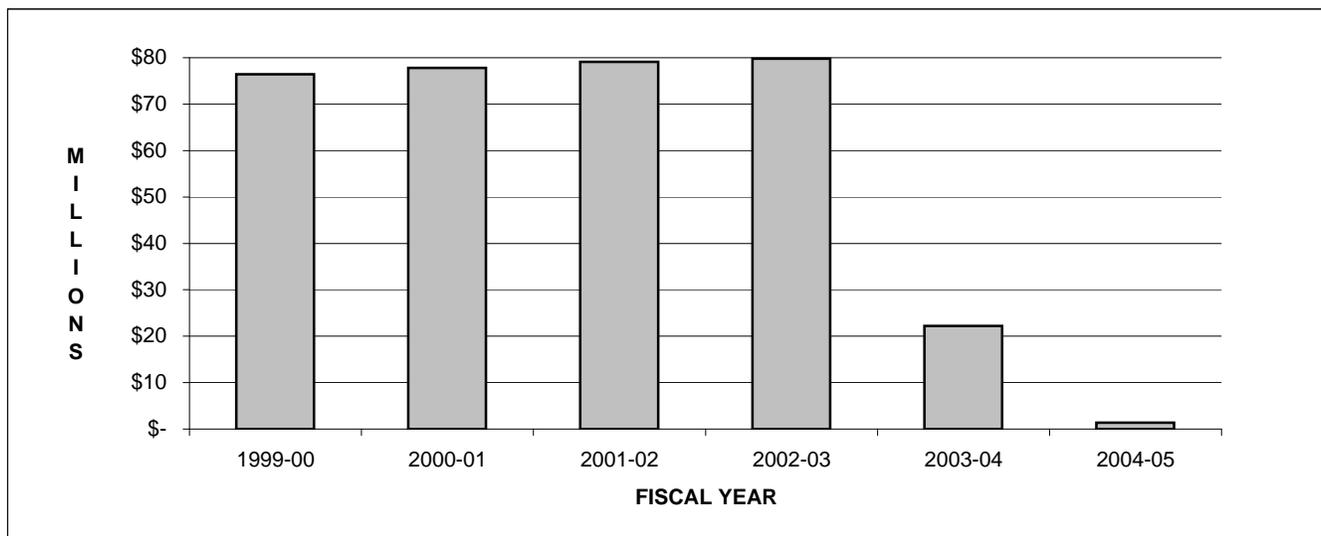
COUNTY	BCCRT	SCCRT	CIGARETTE	LIQUOR	RPTT	MVPT	TOTAL
CARSON CITY	\$ 4,973,911	\$ 17,190,216	\$ 377,445	\$ 67,022	\$ 586,225	\$ 2,821,954	\$ 26,016,774
CHURCHILL	1,448,994	4,731,365	176,230	31,296	248,232	1,312,773	7,948,889
CLARK	162,049,968	564,835,696	11,166,280	1,980,991	49,600,663	94,991,566	884,625,164
DOUGLAS	4,053,239	13,309,680	313,583	55,644	1,473,290	2,694,444	21,899,881
ELKO	3,956,122	13,628,225	312,994	55,580	283,219	2,917,369	21,153,508
ESMERALDA	38,254	932,400	7,682	1,363	6,726	128,195	1,114,620
EUREKA	895,173	3,354,477	9,759	1,732	7,512	209,695	4,478,347
HUMBOLDT	1,883,174	6,645,805	112,435	19,966	95,256	1,210,207	9,966,843
LANDER	728,572	2,460,576	36,059	6,403	18,434	484,631	3,734,675
LINCOLN	160,299	1,195,164	25,639	4,552	81,093	385,743	1,852,490
LYON	1,988,103	8,880,060	285,453	50,616	1,101,306	2,540,371	14,845,909
MINERAL	176,455	1,746,024	31,916	5,670	13,474	327,933	2,301,472
NYE	2,471,227	7,317,924	251,715	44,672	960,793	2,632,542	13,678,874
PERSHING	267,412	1,967,028	47,031	8,363	40,233	410,281	2,740,347
STOREY	308,391	1,512,492	25,535	4,534	109,366	300,754	2,261,071
WASHOE	33,297,349	114,980,104	2,556,330	453,818	8,427,846	23,230,383	182,945,830
WHITE PINE	614,060	2,690,244	60,406	10,727	38,787	682,512	4,096,736
TOTAL	\$ 219,310,704	\$ 767,377,479	\$ 15,796,490	\$ 2,802,949	\$ 63,092,456	\$ 137,281,352	\$ 1,205,661,429

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.

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

BUSINESS TAX



FISCAL YEAR	LICENSE FEES	TAX	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1999-00	\$ 513,689	\$ 75,924,128	\$ 76,437,817	5.95%
2000-01	523,072	77,270,722	77,793,795	1.77%
2001-02	680,845	78,394,651	79,075,496	1.65%
2002-03	739,561	79,026,132	79,765,693	0.87%
2003-04	8,467	22,216,500	22,224,967	-72.14%
2004-05	76,816	1,297,383	1,374,199	-93.82%

LEGAL CITATION

Chapter 364A Nevada Revised Statutes.

IMPOSITION AND RATE

Business License Fee \$25. A tax imposed upon the privilege of conducting business in the State of Nevada, at the rate of \$25 per quarter for each equivalent full-time employee employed by a business.

2003 special session of the State Legislature repealed the Business Tax effective 9/30/2003.

CURRENT DISTRIBUTION OF REVENUE

State General Fund.

HISTORY

ORIGINALLY ENACTED

1991 session of the State Legislature, effective July 1, 1991. The tax due is based on the average number of employees per calendar quarter, determined from a graduated tax table beginning with more than 0 employees, \$25 per quarter; through more than 999 employees, not to exceed \$100,000 per quarter in tax. The three primary methods to determine the average number of employees include: A) determine the total number of employees on the payroll during the week that includes the 12th day of the month for each of the months in the quarter; divide by 3; B) total employee payroll for a quarter is divided by the "average wage factor" (AWF) to obtain the average number of employees. The average wage factor is set by the Department each fiscal year; C) divide the quarterly payroll by a special average wage factor if approved by the Department; multiply by 1.33 to determine the number of employees. This method is used by businesses that have 50 percent or more of their employees, working 20 or less hours per week.

Business Tax (continued)

AMENDMENTS

1993 session of the State Legislature, per AB 394, effective July 1, 1993 eliminated the graduated tax table on the average number of employees and the \$100,000 tax cap per quarter. The amount of tax due per quarter for a business was changed to \$25 for each employee.

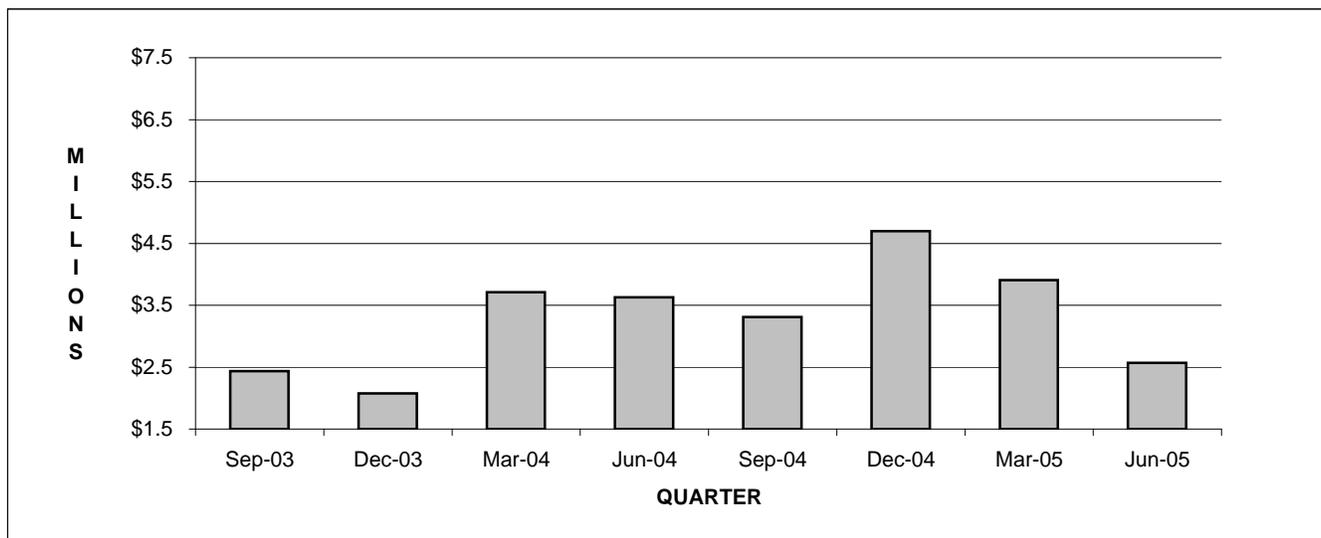
Effective January 1, 1994, per AB 456, the basis for calculating the tax was changed to the total number of equivalent full-time employees employed by the business in a quarter. The number of equivalent full-time employees may be calculated by: A) determining the total number of hours worked per quarter, not to exceed 468 hours per full-time employee; or B) by multiplying 7.2 hours by the number of days each full-time employee was employed up to a maximum of 65 days per quarter. To either of these methods is added the total number of hours worked by part-time employees; the result is divided by 468 to determine the number of equivalent full-time employees.

2003 special session of the State Legislature increased the Business License Fee to \$100, effective July 1, 2003.

REPEALED

2003 special session of the State Legislature repealed the Business Tax effective 9/30/2003.

BUSINESS LICENSE FEE



QUARTER	TOTAL COLLECTIONS
September-03	\$ 2,434,767
December-03	2,078,215
March-04	3,710,298
June-04	3,628,473
TOTAL FY 03-04	\$ 11,851,752
September-04	3,311,573
December-04	4,696,688
March-05	3,907,088
June-05	2,570,966
TOTAL FY 04-05	\$ 14,486,315

LEGAL CITATION

Chapter 360.760 - 360.795

IMPOSITION AND RATE

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

CURRENT DISTRIBUTION OF REVENUE

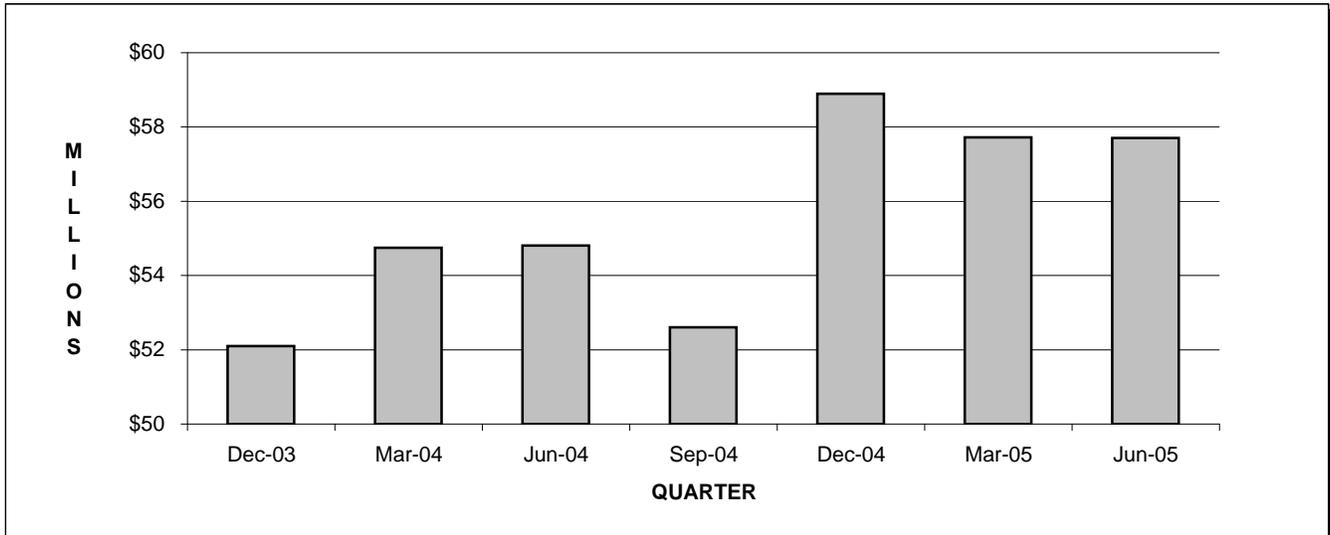
State General Fund.

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.

MODIFIED BUSINESS TAX



QUARTER	GENERAL BUSINESS	FINANCIAL INSTITUTIONS	TOTAL COLLECTIONS
December	\$ 47,596,106	\$ 4,504,422	\$ 52,100,528
March	49,007,322	5,735,884	54,743,206
June	49,558,384	5,247,371	54,805,755
TOTAL FY 03-04	\$ 146,161,812	\$ 15,487,677	\$ 161,649,489
September	\$ 48,708,639	\$ 3,895,501	\$ 52,604,141
December	53,728,114	5,164,630	58,892,743
March	51,114,565	6,609,641	57,724,206
June	51,796,852	5,905,563	57,702,415
TOTAL FY 04-05	\$ 156,639,531	\$ 17,679,833	\$ 226,923,505

LEGAL CITATION

Chapter 363A, 363B

IMPOSITION AND RATE

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

CURRENT DISTRIBUTION OF REVENUE

State General Fund.

HISTORY

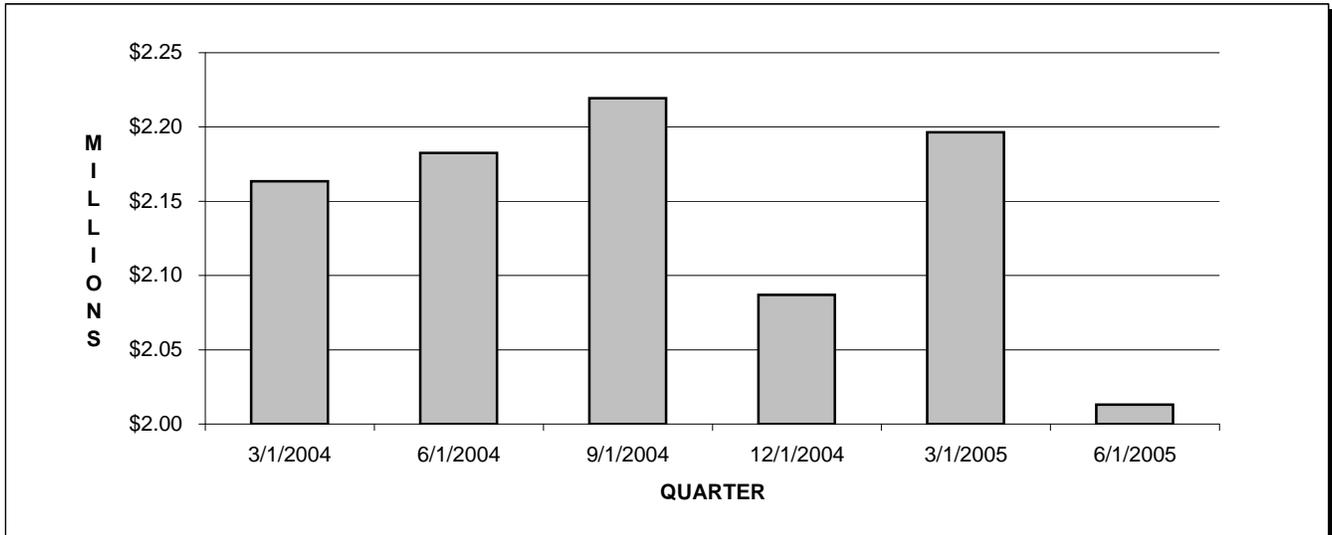
ORIGINALLY ENACTED

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

AMENDMENTS

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

LIVE ENTERTAINMENT TAX



QUARTER	LESS THAN 7500 SEATS	7500 SEATS OR GREATER	TOTAL COLLECTIONS
Mar-04	\$ 1,641,407	\$ 522,018	\$ 2,163,425
Jun-04	1,586,997	595,446	2,182,443
TOTAL FY 03-04	\$ 3,228,404	\$ 1,117,464	\$ 4,345,868
Sep-04	1,642,574	576,830	2,219,403
Dec-04	1,488,079	598,888	2,086,967
Mar-05	1,745,654	450,884	2,196,537
Jun-05	1,718,214	294,909	2,013,124
TOTAL FY 04-05	\$ 6,594,521	\$ 1,921,511	\$ 8,516,031

LEGAL CITATION

Chapter 368A

IMPOSITION AND RATE

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

CURRENT DISTRIBUTION OF REVENUE

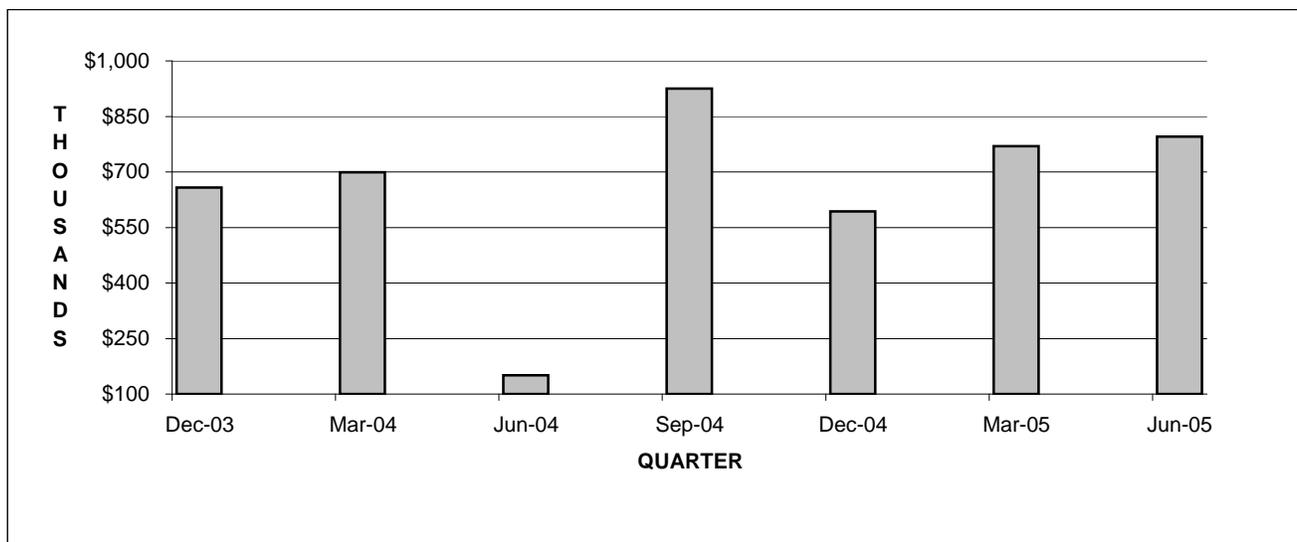
State General Fund.

HISTORY

ORIGINALLY ENACTED

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

BANK EXCISE TAX



QUARTER	TOTAL COLLECTIONS	% CHANGE FROM PRIOR QUARTER
December-03	\$ 658,140	N/A
March-04	699,167	6.23%
June-04	150,885	-78.42%
TOTAL FY 03-04	\$ 1,508,192	N/A
September-04	\$ 925,411	513.32%
December-04	593,250	-35.89%
March-05	770,000	29.79%
June-05	795,795	3.35%
TOTAL FY 04-05	\$ 3,084,456	104.51%

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.

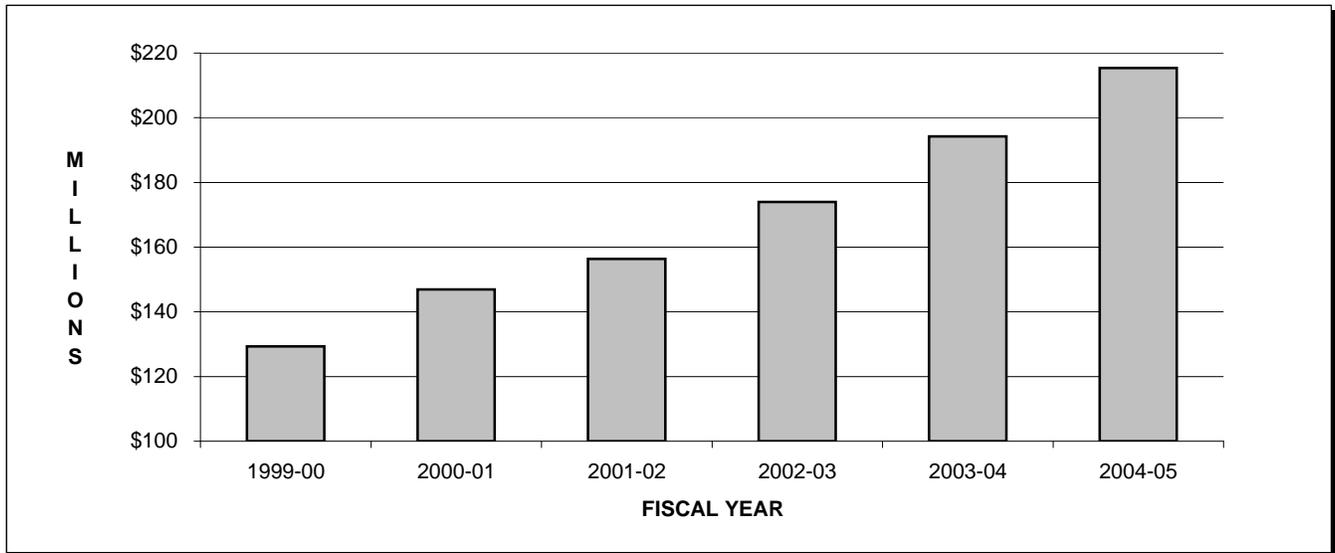
CURRENT DISTRIBUTION OF REVENUE State General Fund.

HISTORY

ORIGINALLY ENACTED

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

INSURANCE PREMIUM TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1999-00	\$ 129,328,441	10.64%
2000-01	146,917,892	13.60%
2001-02	156,347,356	6.42%
2002-03	173,990,728	11.28%
2003-04	194,218,036	11.63%
2004-05	215,356,492	10.88%

LEGAL CITATION

Chapter 680B Nevada Revised Statutes.

IMPOSITION AND RATE

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

CURRENT DISTRIBUTION OF REVENUE

State General Fund.

HISTORY

ORIGINALLY ENACTED

1933 session of the State legislature.

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

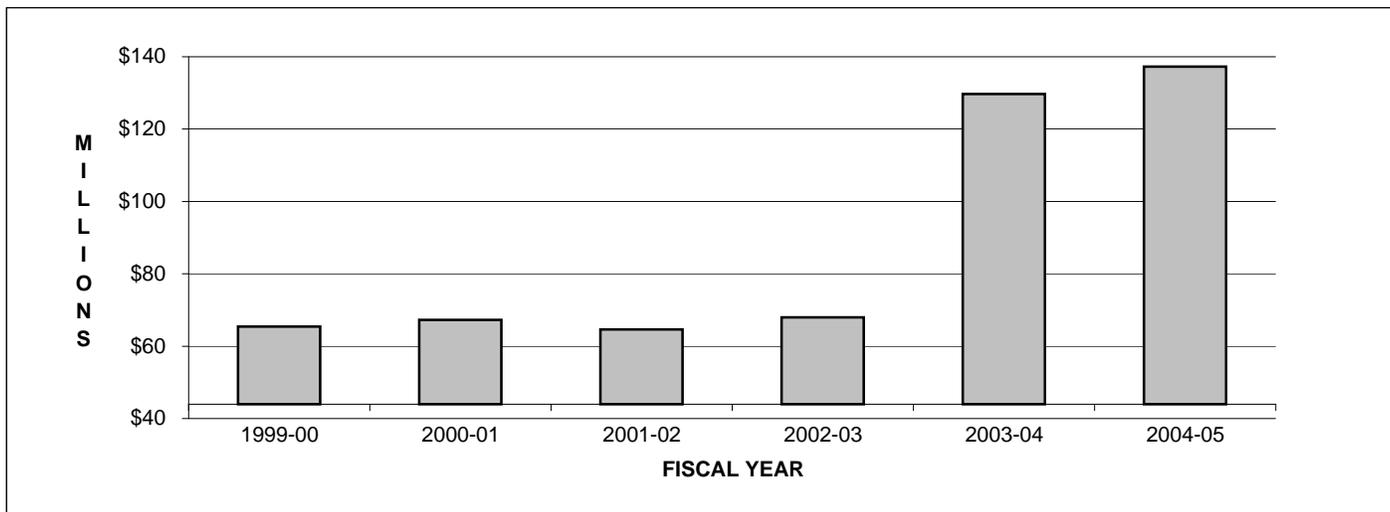
Insurance Premium Tax (continued)

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

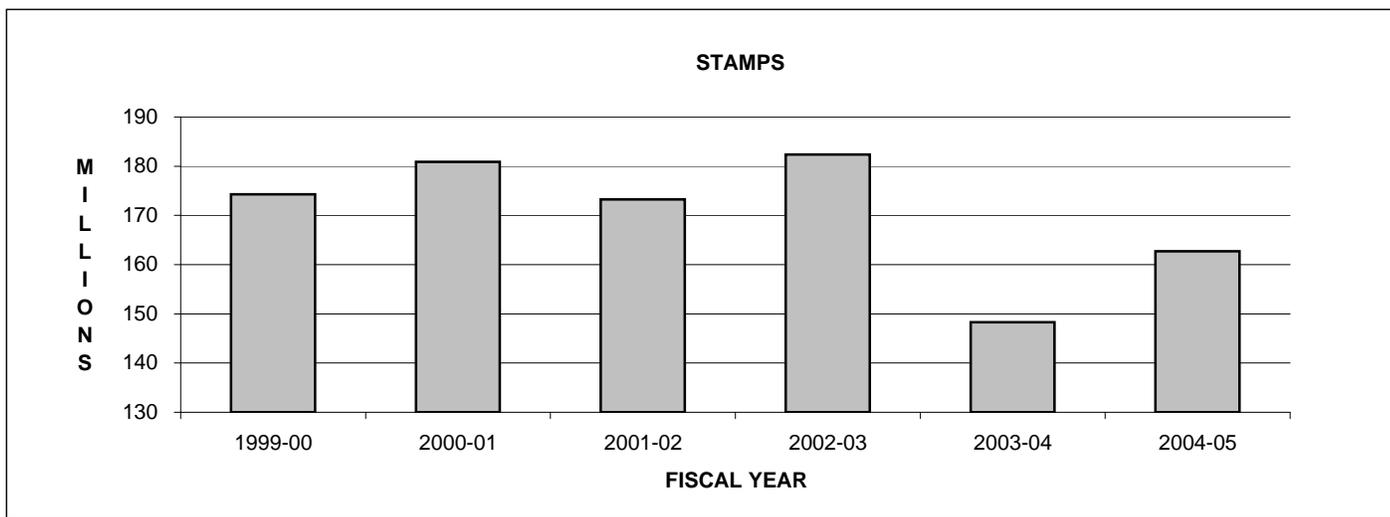
1997 Session of the State Legislature changed the due date of the annual return from March 1st to March 15th and requires insurers to report premium taxes based on actual premiums written instead of estimated, effective January 1, 1998.

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

CIGARETTE AND OTHER TOBACCO PRODUCTS TAX REVENUE



FISCAL YEAR	TAX	OTHER TOBACCO PRODUCTS	LICENSES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1999-00	\$ 59,466,190	\$ 5,962,399	\$ 11,303	\$ 65,439,891	1.14%
2000-01	61,619,276	5,602,823	12,870	67,234,969	2.74%
2001-02	59,014,026	5,557,893	15,758	64,587,677	-3.94%
2002-03	62,011,111	5,916,301	16,223	67,943,635	5.20%
2003-04	122,732,268	6,927,276	14,940	129,674,484	90.86%
2004-05	129,668,815	7,557,607	14,225	137,240,648	5.83%



FISCAL YEAR	REVENUE STAMPS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	REVENUE STAMPS	% CHANGE FROM PRIOR YEAR
1999-00	174,297,940	0.06%	2002-03	182,399,100	5.29%
2000-01	180,880,840	3.78%	2003-04	148,277,400	-18.71%
2001-02	173,235,750	-4.23%	2004-05	162,707,400	9.73%

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

NOTE: Fiscal Year 1998 represents 13 months of revenue due to SB 254 (1997) and a reporting change required by GASB 22.

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.
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 1998-99	35,475,000	FY 2001-02	33,870,000
FY 1999-00	38,385,000	FY 2002-03	33,915,000
FY 2000-01	37,875,000	FY 2003-04	28,995,000

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 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 The 1999 Legislature enacted AB667, 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.

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

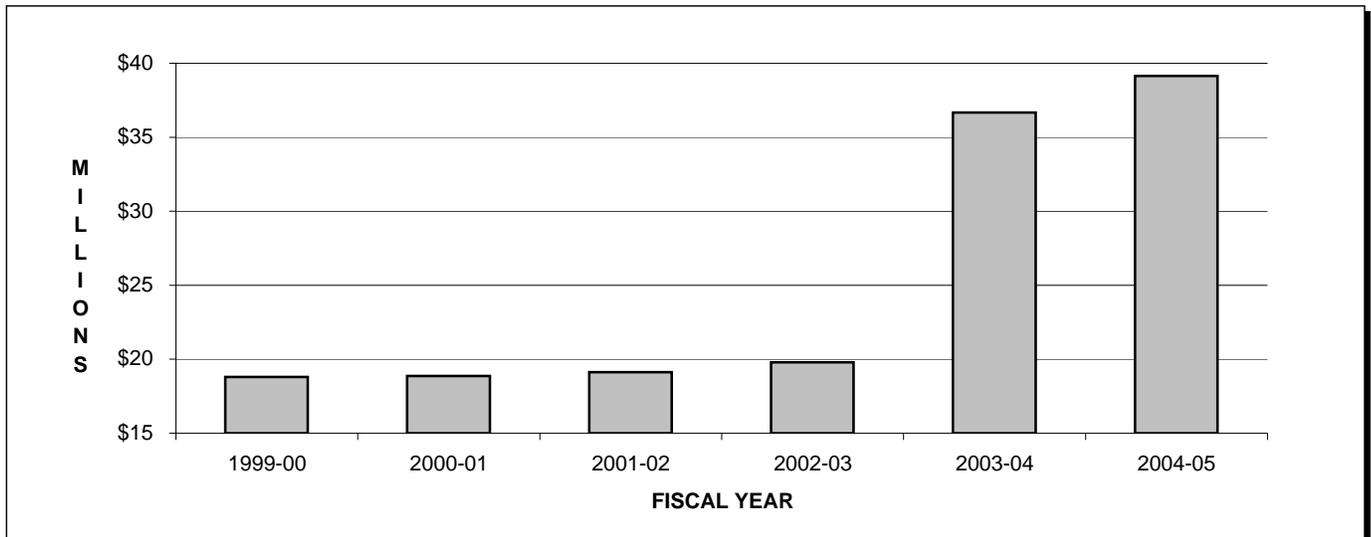
Assembly Bill 4, effective August 1, 2003, changed the cigarette wholesalers' discount rate for stamping from 3% to 0.5%. AB4 also changed the other tobacco products wholesalers' collection allowance from 2% to 0.5% if the taxes are paid timely.

Cigarette and Other Tobacco Products Tax Revenue (continued)

TRANSFER OF CIGARETTE TAX REVENUE
TO CONSOLIDATED TAX
FISCAL YEAR 2004-05

COUNTY	TAX	% OF TOTAL
Carson City	\$ 377,445	0.28%
Churchill	176,230	0.13%
Clark	11,166,280	8.14%
Douglas	313,583	0.23%
Elko	312,994	0.23%
Esmeralda	7,682	0.01%
Eureka	9,759	0.01%
Humboldt	112,435	0.08%
Lander	36,059	0.03%
Lincoln	25,639	0.02%
Lyon	285,453	0.21%
Mineral	31,916	0.02%
Nye	251,715	0.18%
Pershing	47,031	0.03%
Storey	25,535	0.02%
Washoe	2,556,330	1.86%
White Pine	60,406	0.04%
TOTAL COUNTY TRANSFER	\$ 15,796,490	11.51%
Administrative Fees	428,721	0.31%
Refunds	175,165	0.13%
State General Fund	113,282,664	82.54%
Other Tobacco Products (General Fund)	7,557,607	5.51%
TOTAL	\$ 137,240,648	100.00%

LIQUOR TAX REVENUE



FISCAL YEAR	TAX	LICENSES	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1999-00	\$ 18,740,163	\$ 70,077	\$ 18,810,240	7.00%
2000-01	18,795,880	81,613	18,877,492	0.36%
2001-02	19,032,483	88,108	19,120,591	1.29%
2002-03	19,700,096	93,658	19,793,754	3.52%
2003-04	36,625,381	44,781	36,670,163	85.26%
2004-05	39,020,195	114,513	39,134,707	6.72%

LEGAL CITATION

Chapters 369 and 597 Nevada Revised Statutes.

RATES

Over 22 percent by volume \$ 3.60 per gallon
 Over 14 percent to 22 percent by volume \$1.30 per gallon
 .5 to 14 percent by volume \$.75 per gallon
 Beer \$.16 per gallon

LICENSE FEES

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

CURRENT DISTRIBUTION OF REVENUE

50 cents per gallon of collections on over 22 percent alcohol allocated for distribution to eligible local governments through the Consolidated Tax distribution. The portion of tax on liquor containing over 22 percent alcohol which exceeds \$3.45 per wine gallon is transferred to the tax on liquor program account in the State General Fund. All remaining revenues 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, 2 1/2 cents per quart; 14 percent to 22 percent, 5 cents per quart. All alcoholic beverages over 22 percent, 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 to 14 percent, 15 cents per gallon; over 14 percent to 22 percent, 25 cents per gallon; over 22 percent, 60 cents per gallon.
- 1947 Beer, 3 cents per gallon; liquor, up to 14 percent, 15 cents per gallon; over 14 percent to 22 percent, 30 cents per gallon; over 22 percent, 80 cents per gallon.
- 1961 Beer, 6 cents per gallon; liquor, up to 14 percent, 30 cents per gallon; over 14 percent to 22 percent, 50 cents per gallon; over 22 percent, \$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, 40 cents per gallon; over 14 percent to 22 percent, 75 cents per gallon; over 22 percent, \$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
- 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, 40 cents per gallon; over 14 percent to 22 percent, 75 cents per gallon. Over 22 percent 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% to 0.5%.
		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, 75 cents per gallon; over 14 percent to 22 percent, \$1.30 per gallon and over 22 percent to \$3.60 per gallon.

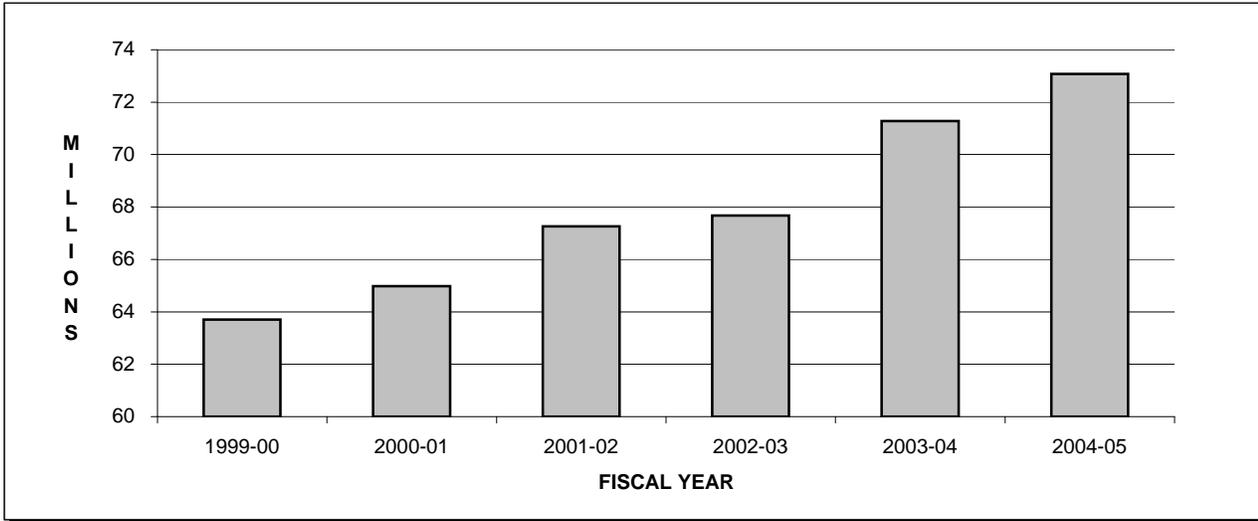
Liquor Tax Revenue (continued)

TRANSFER OF LIQUOR TAX REVENUE
TO CONSOLIDATED TAX
FISCAL YEAR 2004-05

COUNTY	TAX	% OF TOTAL
Carson City	\$ 67,022	0.17%
Churchill	31,296	0.08%
Clark	1,980,991	5.06%
Douglas	55,644	0.14%
Elko	55,580	0.14%
Esmeralda	1,363	0.00%
Eureka	1,732	0.00%
Humboldt	19,966	0.05%
Lander	6,403	0.02%
Lincoln	4,552	0.01%
Lyon	50,616	0.13%
Mineral	5,670	0.01%
Nye	44,672	0.11%
Pershing	8,363	0.02%
Storey	4,534	0.01%
Washoe	453,818	1.16%
White Pine	10,727	0.03%
TOTAL COUNTY TRANSFER	\$ 2,802,949	7.16%
Alcohol and Drug Abuse Account	840,885	2.15%
State General Fund	35,490,874	90.69%
TOTAL	\$ 39,134,707	100.00%

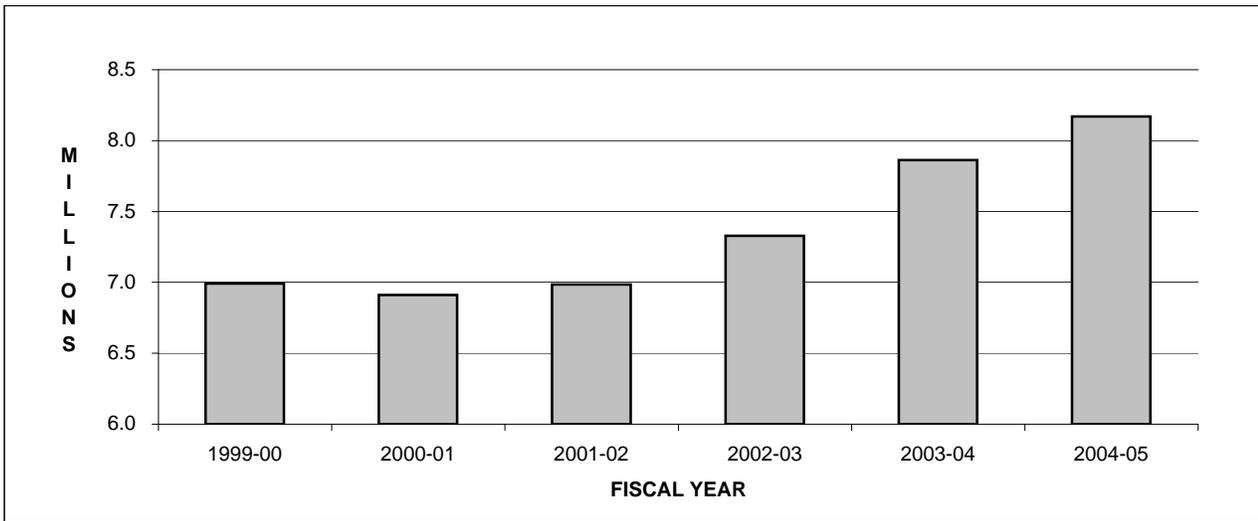
ALCOHOLIC BEVERAGE GROWTH

BEER - GALLONS



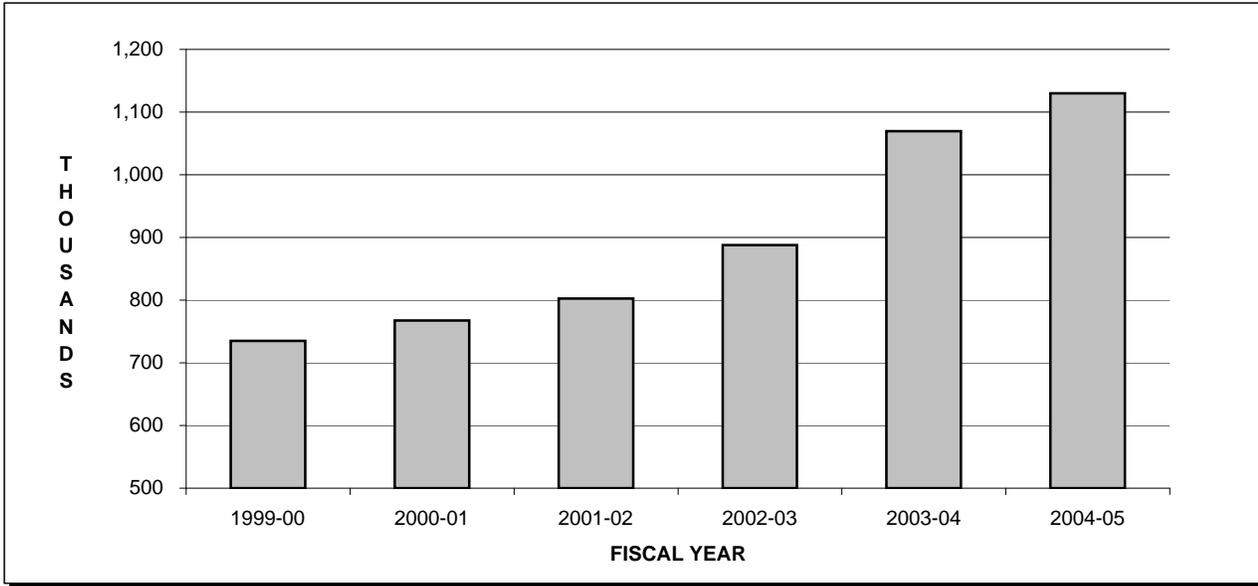
FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
1999-00	63,698,689	4.44%	2002-03	67,679,367	0.62%
2000-01	64,980,519	2.01%	2003-04	71,284,786	5.33%
2001-02	67,260,904	3.51%	2004-05	73,075,697	2.51%

ALCOHOLIC BEVERAGES .50% TO 14% BY VOLUME - GALLONS



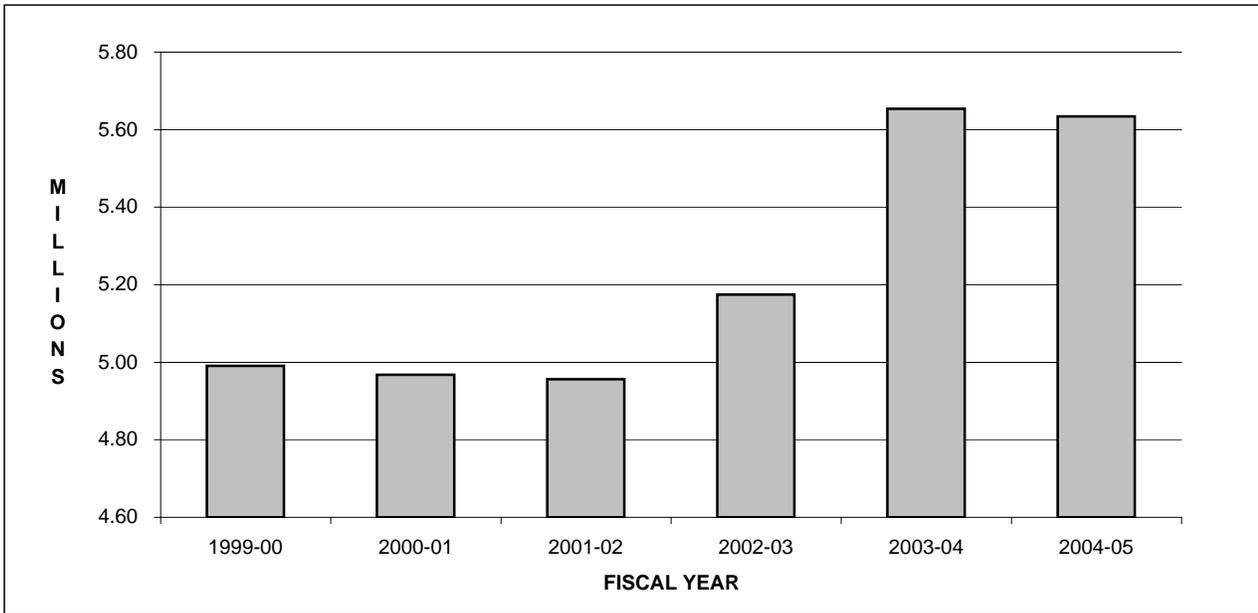
FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
1999-00	6,992,277	7.30%	2002-03	7,328,539	4.93%
2000-01	6,912,143	-1.15%	2003-04	7,862,597	7.29%
2001-02	6,984,115	1.04%	2004-05	8,169,837	3.91%

ALCOHOLIC BEVERAGES OVER 14% - 22% BY VOLUME - GALLONS



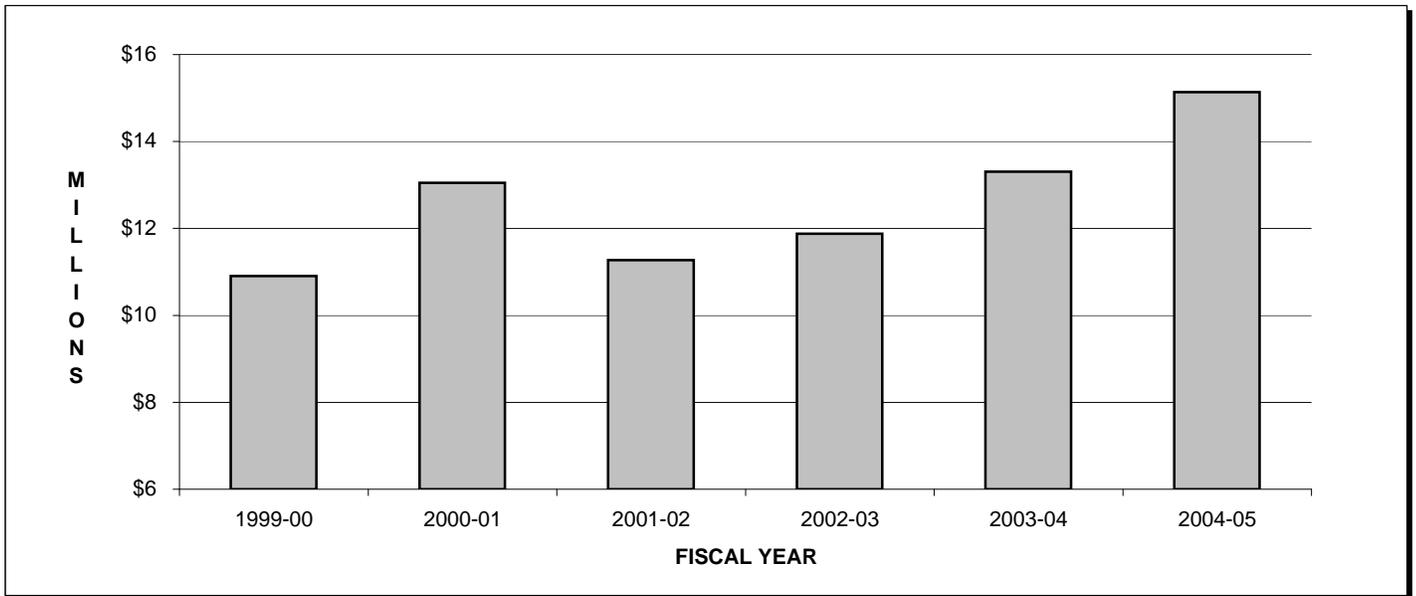
FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
1999-00	735,244	14.23%	2002-03	887,933	10.64%
2000-01	767,540	4.39%	2003-04	1,069,464	20.44%
2001-02	802,531	4.56%	2004-05	1,129,927	5.65%

ALCOHOLIC BEVERAGES OVER 22% BY VOLUME - GALLONS



FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	GALLONS	% CHANGE FROM PRIOR YEAR
1999-00	4,990,338	8.07%	2002-03	5,174,300	4.40%
2000-01	4,967,451	-0.46%	2003-04	5,653,811	9.27%
2001-02	4,956,285	-0.22%	2004-05	5,633,972	-0.35%

LODGING TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1999-00	\$ 10,902,527	20.11%	2002-03	\$ 11,875,153	5.38%
2000-01	13,050,670	19.70%	2003-04	13,305,505	12.04%
2001-02	11,268,582	-13.66%	2004-05	15,134,104	13.74%

LEGAL CITATION

Chapter 244.3354 Nevada Revised Statutes.

HISTORY

ORIGINALLY ENACTED

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

RATE

Three-eighths 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.

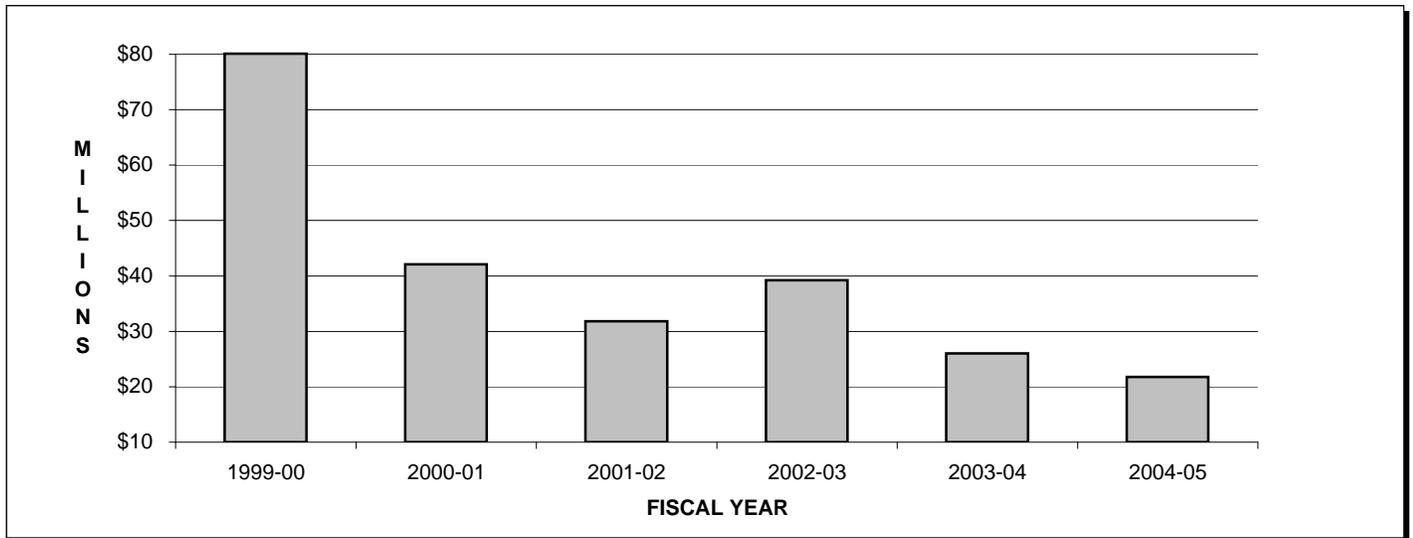
CURRENT DISTRIBUTION OF REVENUE

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

NOTE:

Tax on revenues from rental of transient lodging is imposed at the rate of at least 1 percent of the gross receipts. The State receives 3/8 of the first 1 percent for the promotion of tourism and the county retains 5/8 of the first 1 percent for local promotion of tourism.

ESTATE TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1999-00	\$ 80,103,649	230.72%	2002-03	\$ 39,203,340	23.30%
2000-01	42,126,902	-47.41%	2003-04	26,018,237	-33.63%
2001-02	31,794,795	-24.53%	2004-05	21,774,432	-16.31%

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)

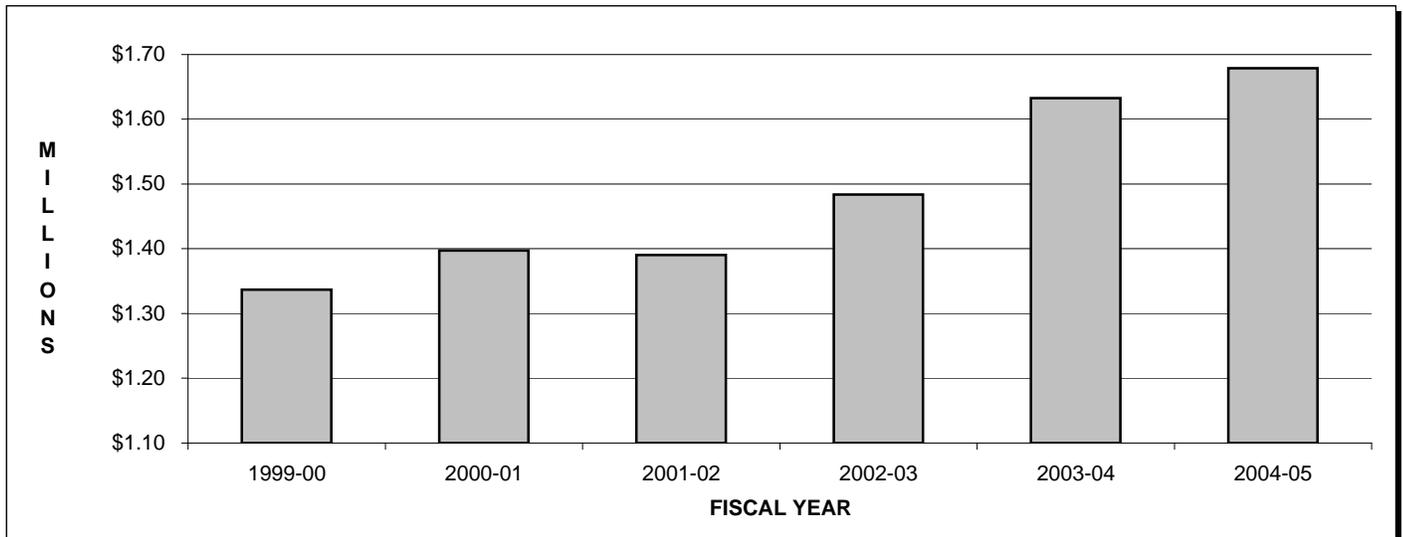
DISTRIBUTION OF ESTATE TAX REVENUE
FISCAL YEAR 2004-05

Department of Taxation administrative costs	\$	173,440
Reserve for refunds		1,084,953
Department of Education: Trust Fund for the Education of Pupils		10,258,020
University of Nevada System Endowment Fund		10,258,020
TOTAL		<u><u>\$ 21,774,432</u></u>

ESTATE TAX RESERVE FOR REFUNDS

Beginning balance brought forward July 1, 2004	\$	2,349,266
Estate tax receipts - Reserve for refunds Fiscal Year 2005		1,084,953
Balance available		<u>\$ 3,434,218</u>
Less: Refunds issued Fiscal Year 2005		(2,456,027)
Ending Balance at June 30, 2005		<u><u>\$ 978,192</u></u>

TIRE TAX



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1999-00	\$ 1,336,799	3.26%
2000-01	1,397,269	4.52%
2001-02	1,390,414	-0.49%
2002-03	1,483,883	6.72%
2003-04	1,632,492	10.01%
2004-05	1,678,740	2.83%

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 retained by the seller to cover his 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: .5 percent, Department of Taxation; 44.5 percent State Department of Conservation and Natural Resources; 30 percent Clark County District Board of Health; and 25 percent Washoe County District Board of Health.

HISTORY

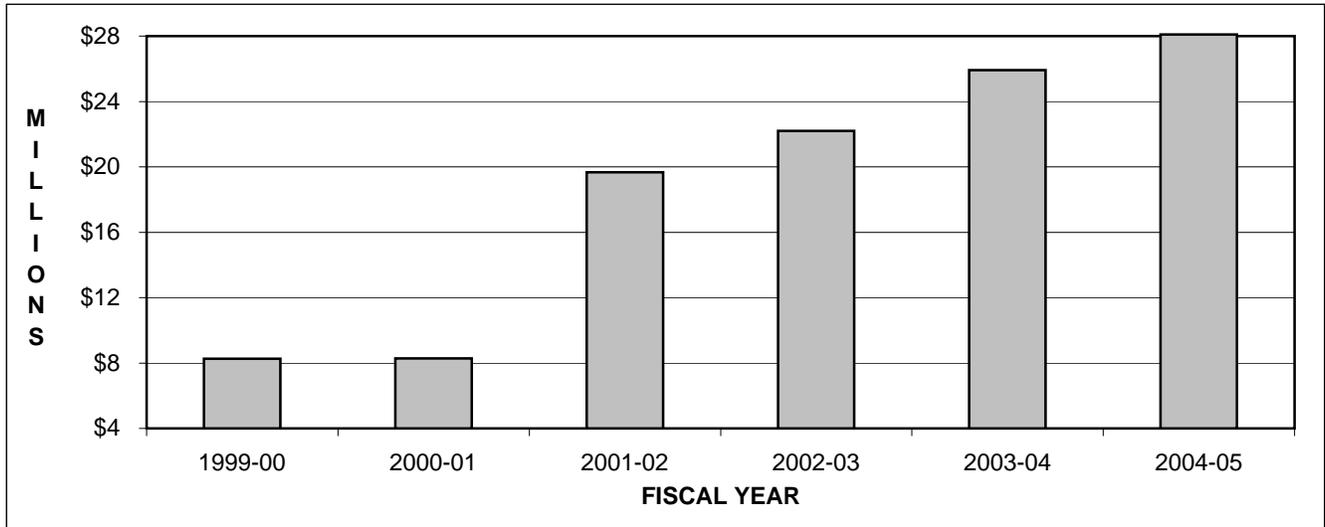
ORIGINALLY ENACTED

1991 session of the State Legislature.

AMENDMENT

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

GOVERNMENT SERVICES FEE



FISCAL YEAR	TOTAL COLLECTIONS	% CHANGE FROM PRIOR YEAR
1999-00	\$ 8,271,686	3.42%
2000-01	8,288,217	0.20%
2001-02	19,662,998	137.24%
2002-03	22,208,165	12.94%
2003-04	25,925,323	16.74%
2004-05	28,091,131	8.35%

LEGAL CITATION

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

IMPOSITION AND RATE

A fee imposed on the short-term lease of passenger vehicles. The fee is 6% of lease charges. Fees are due on a quarterly basis.
In addition effective April 1, 2004 Washoe County has imposed a fee at the rate of 2% of lease charges with .25% of that amount going to the Department of Taxation for Collection allowance.

CURRENT DISTRIBUTION OF REVENUE

State General Fund.

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.

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.

Government Services Fee (continued)

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 267 effective July 1, 2003 allows certain items to be exempted from the governmental services fee and recovery surcharge.

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.

DISTRIBUTION OF GOVERNMENT SERVICES FEE

<u>FISCAL YEAR</u>	<u>GENERAL FUND</u>	<u>WASHOE COUNTY</u>	<u>COLLECTION ALLOWANCE</u>	<u>TOTAL COLLECTIONS</u>
2003-04	\$ 25,638,556	\$ 286,050	\$ 717	\$ 25,925,323
2004-05	26,793,014	1,294,872	3,245	28,091,131

DIVISION OF ASSESSMENT STANDARDS

The Division of Assessment Standards (DOAS) is responsible for administering and overseeing various property tax programs and providing oversight to the financial administration of local governments. DOAS is located in Carson City and consists of four (4) sections as follows:

Centrally Assessed Properties

Under the authority of NRS 361.320, the Centrally Assessed Properties Section is responsible for the valuation, assessment, collection and distribution of ad valorem ("according to value") taxes related to property of an interstate or intercounty nature. Approximately 244 interstate or intercounty properties owned by airlines, railroads, telecommunications, electric power, gas pipeline, private airlines and water companies are valued by the Centrally Assessed Properties Section. The companies valued generate 357 assessments including both secured and unsecured 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 58 secured mining property valuations and 115 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 audits the reported information and computes taxes due. There are approximately 96 net proceeds operators and 356 royalty recipients currently reporting to Taxation. The Centrally Assessed properties Section also collects and distributes the Net Proceeds of Mines Tax to the counties.

Local Government Finance

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

When the Nevada Tax Commission (NTC) declares a local entity in severe financial difficulty, the Local Government Finance Section also provides management oversight and in extreme cases provides financial administration.

Locally Assessed Properties

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

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).

Division of Assessment Standards (continued)

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

Real Property Transfer Tax (RPPT)

Under the authority of NRS 375, the Real Property Transfer Tax is administered by the Division of Assessment Standards, providing oversight and audit services to the offices of county recorders. Division staff audits all counties to insure the tax is collected fairly and equitably and in compliance with statute pursuant to NRS 375.019. The audit consists of on-site inspections, individual interviews with the recorder and treasurer of the subject county, and review of deeds and other 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, to 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 Division of Assessment Standards also provides staffing for the following statutory boards:

The 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 NTC.

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

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

CERTIFICATION OF APPRAISERS

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

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

The Department issues an appraiser certificate to any person who either has successfully passed the appropriate certification exam or who holds a professional designation approved by the Board.

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 2005				
JURISDICTIONS	REAL PROPERTY	PERSONAL PROPERTY	REAL AND PERSONAL PROPERTY	TEMPORARY CERTIFICATIONS
Department of Taxation	2	0	12	3
Carson City	3	1	1	1
Churchill	3	2	0	0
Clark	5	2	54	0
Douglas	0	0	6	0
Elko	4	0	3	1
Esmeralda	0	0	1	0
Eureka	3	1	0	0
Humboldt	3	1	0	0
Lander	0	1	1	1
Lincoln	1	0	0	0
Lyon	6	0	2	1
Mineral	2	0	0	0
Nye	2	0	6	0
Pershing	2	0	0	0
Storey	1	0	1	0
Washoe	20	2	8	2
White Pine	4	0	0	1
Independent Contractors	0	0	0	0
TOTAL	61	10	95	10

STATE BOARD OF EQUALIZATION

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

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

STATE BOARD OF EQUALIZATION 2004-05 SUMMARY OF TRANSACTIONS

COUNTY	APPEALS *			NOT HEARD	ASSESSED VALUATION ADJUSTMENTS TO TAX ROLL *	
	TOTAL	SUSTAINED	DENIED		INCREASES	DECREASES
Carson City	-	-	-	-	-	-
Churchill	-	-	-	-	-	-
Clark	70	36	16	18	5,204,536	19,507,407
Douglas	1	-	1	-	-	-
Elko	3	2	1	-	-	7,546,954
Esmeralda	-	-	-	-	-	-
Eureka	1	-	1	-	-	-
Humboldt	-	-	-	-	-	-
Lander	-	-	-	-	-	-
Lincoln	-	-	-	-	-	-
Lyon	-	-	-	-	-	-
Mineral	1	-	-	1	-	-
Nye	1	-	-	1	-	-
Pershing	-	-	-	-	-	-
Storey	-	-	-	-	-	-
Washoe	317	70	222	25	40,250	7,470,134
White Pine	1	1	-	-	-	(24,888)
COUNTY TOTAL	395	109	241	45	\$ 5,244,786	\$ 34,499,607
ASSESSED TOTAL	6		2	2	\$ -	\$ (7,695,389)
STATEWIDE TOTAL	401	109	243	47	\$ 5,244,786	\$ 26,804,218

* Includes roll changes and exemptions. Appeals which were partially sustained and partially denied appear in the totals as sustained.

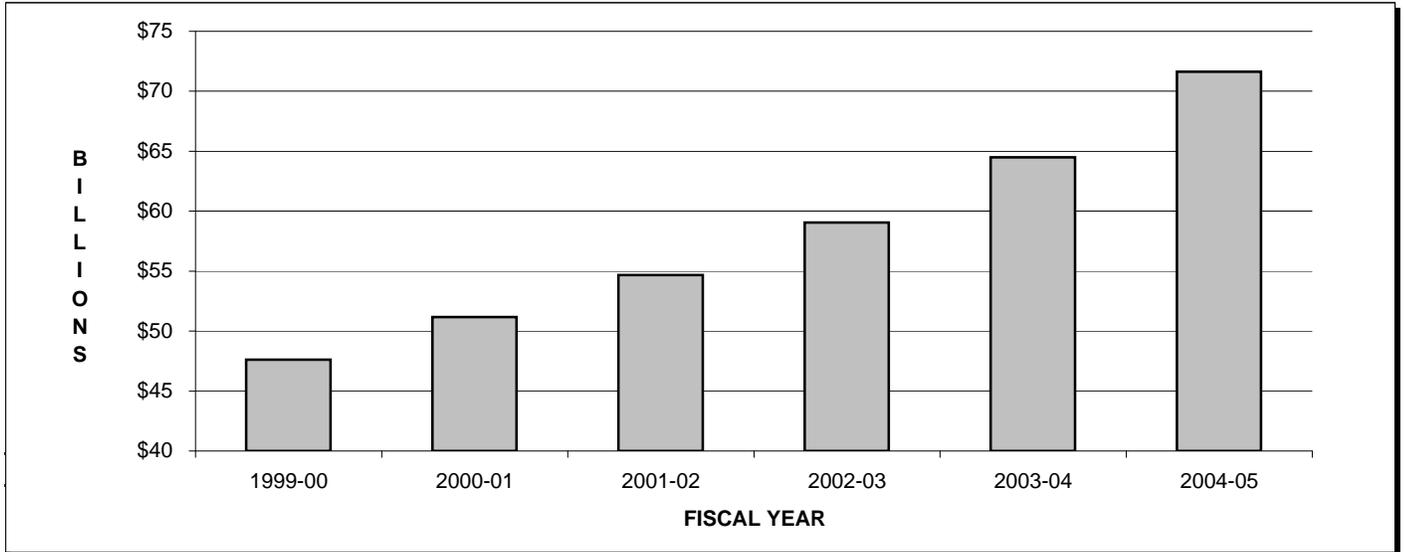
Details of all transactions are available at the Department of Taxation, Executive Office, Carson City, Nevada. Appeals represent the number of protests presented to the Board. An appeal often includes more than one parcel of property.

TOTAL APPEALS STATEWIDE

FISCAL YEAR	APPEALS	FISCAL YEAR	APPEALS
1998-99	113	2002-03	222
1999-00	107	2003-04	357
2000-01	91	2004-05	401

ASSESSED VALUATIONS

TOTAL NET ASSESSED VALUATION STATEWIDE



FISCAL YEAR	VALUATION	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	VALUATION	% CHANGE FROM PRIOR YEAR
1999-00	\$ 47,607,439,982	10.60%	2002-03	\$ 59,062,746,303	8.00%
2000-01	51,172,070,842	7.49%	2003-04	64,496,557,804	9.20%
2001-02	54,686,453,506	6.87%	2004-05	71,640,934,393	11.08%

RATIO STUDY

NRS 361.333, Paragraph 2, states:

The Nevada Tax Commission shall allocate into three groups such that the work of conducting the study is approximately the same for each group. The Department shall conduct the study in one group each year. The commission may from time to time reallocate counties among the groups, but each county must be studied at least once in every three years.

Ratio studies are conducted in accordance with NRS 361.333 to determine the average ratio of assessed valuation to the taxable value of property in each county.

ASSESSED VALUATION BY CLASSES BEFORE EXEMPTIONS				
	2003-04 VALUATION	PERCENT OF TOTAL VALUATION	2004-05 VALUATION	PERCENT OF TOTAL VALUATION
* RURAL LANDS	\$ 90,245,238	0.15%	\$ 94,972,945	0.12%
RURAL LANDS - IMPROVEMENTS	97,193,811	0.16%	101,635,731	0.12%
FARM EQUIPMENT & MACHINERY	20,857,773	0.03%	22,569,689	0.03%
URBAN PROPERTY - LAND	27,979,499,992	35.11%	33,994,192,155	41.20%
URBAN PROPERTY-IMPROVEMENTS	38,316,068,367	51.16%	42,328,182,621	51.30%
OTHER PERSONAL PROPERTY	778,595,616	6.11%	1,045,903,822	1.27%
PUBLIC UTILITIES	2,684,594,730	3.88%	2,464,752,736	2.99%
AIRPLANES	192,901,309	0.23%	187,925,328	0.23%
BILLBOARDS	15,680,840	0.02%	15,962,621	0.02%
OPEN SPACE	589,097	0.00%	563,498	0.00%
MILL & MINE IMPROVEMENTS	567,997,338	1.04%	637,221,565	0.77%
MINING EQUIPMENT & MACHINERY	420,244,637	0.90%	396,670,970	0.48%
MOBILE HOMES	265,104,514	0.46%	259,175,116	0.31%
NET PROCEEDS OF MINES	783,208,830	0.68%	904,837,327	1.10%
PATENTED MINE CLAIMS	49,118,224	0.07%	49,403,476	0.06%
OIL & GAS LEASES	2,217,877	0.00%	2,360,355	0.00%
TOTAL	\$72,264,118,193	100.00%	\$ 82,506,329,955	100.00%

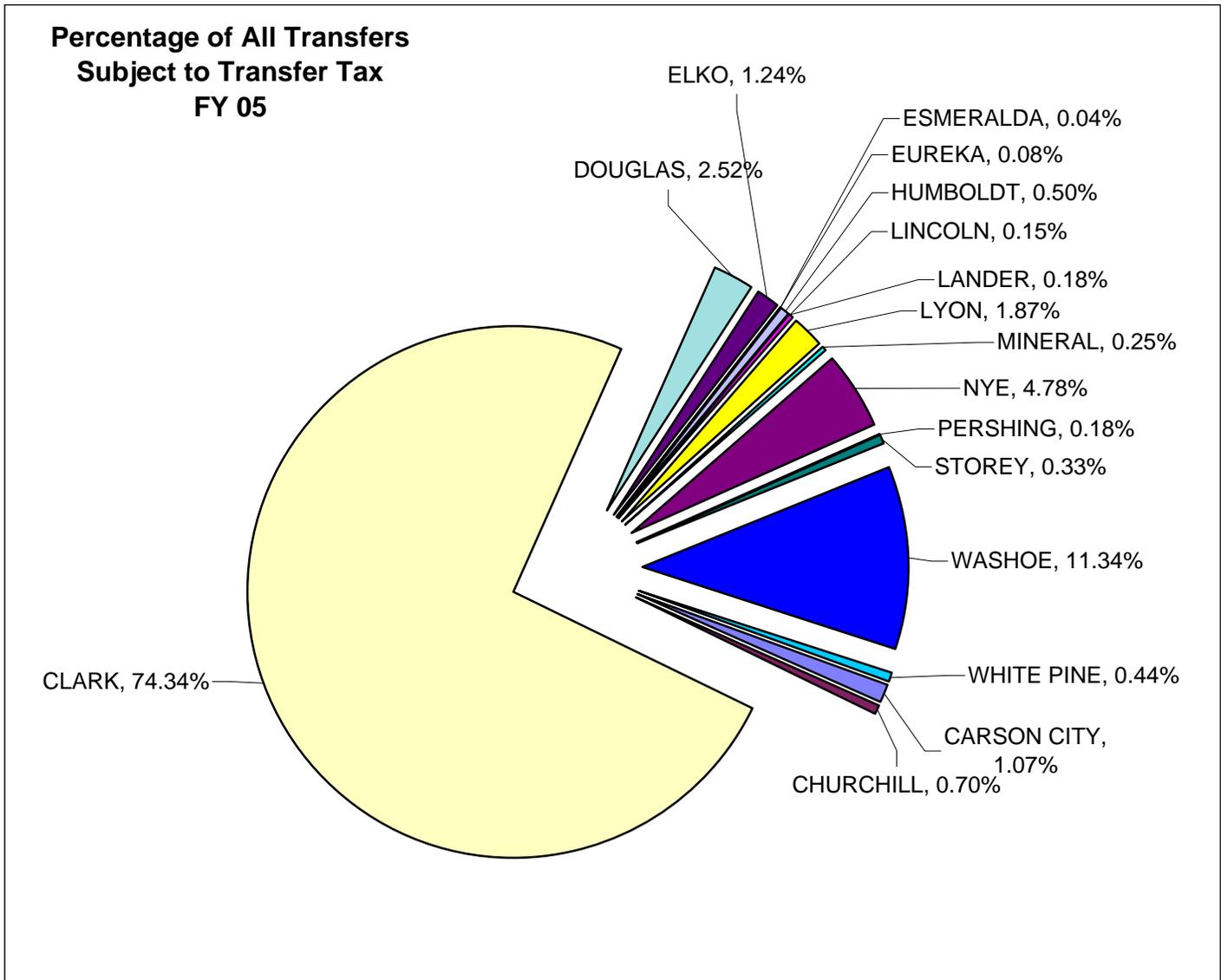
*Based upon agricultural use assessment according to NRS 361A.

ASSESSED VALUATION BY COUNTIES AFTER EXEMPTIONS				
COUNTY	FISCAL YEAR 2003-04	FISCAL YEAR 2004-05	CHANGE	PERCENT CHANGE
CARSON CITY	\$ 1,095,377,655	\$ 1,150,533,862	\$ 55,156,207	5.04%
CHURCHILL	418,664,712	462,786,407	44,121,695	10.54%
CLARK	45,902,732,336	51,556,622,203	5,653,889,867	12.32%
DOUGLAS	1,918,338,626	2,059,364,658	141,026,032	7.35%
ELKO	949,479,167	950,779,813	1,300,646	0.14%
ESMERALDA	39,017,321	37,959,471	(1,057,850)	-2.71%
EUREKA	536,102,531	600,717,036	64,614,505	12.05%
HUMBOLDT	536,926,750	547,544,542	10,617,792	1.98%
LANDER	375,611,778	393,327,275	17,715,497	4.72%
LINCOLN	112,720,417	97,204,478	(15,515,939)	-13.76%
LYON	821,172,344	934,534,015	113,361,671	13.80%
MINERAL	103,953,902	105,433,882	1,479,980	1.42%
NYE	952,138,870	1,051,871,615	99,732,745	10.47%
PERSHING	133,882,508	144,409,848	10,527,340	7.86%
STOREY	166,788,223	179,248,972	12,460,749	7.47%
WASHOE	10,300,503,001	11,253,016,568	952,513,567	9.25%
WHITE PINE	126,263,113	115,579,748	(10,683,365)	-8.46%
TOTAL	\$64,489,673,254	\$ 71,640,934,393	\$ 4,377,292,797	8.00%

The above totals do not reflect State Board of Equalization changes for either fiscal year.

- (1) Depreciation of existing property exceeded growth in new property.
- (2) Lower assessed values for mining improvements.
- (3) Lower assessed values for mining equipment.
- (4) Lower assessed values for net proceeds of minerals.
- (5) Lower assessed values for centrally assessed utilities
- (6) Lower assessed values for locally assessed property
- (7) Growth in exemptions.
- (8) Growth in net proceeds

REAL PROPERTY TRANSFER TAX



LEGAL CITATION

Chapter 375.023 Nevada Revised Statutes.

IMPOSITION AND RATE

\$1.30 on each \$500 of value, or fraction thereof, on transfer of real property.

CURRENT DISTRIBUTION OF REVENUE

State General Fund.

HISTORY

ORIGINALLY ENACTED

2003 special session of State Legislature, effective October 1, 2003.

**REAL PROPERTY TRANSFER TAX
General Fund Collected for Each Quarter**

FISCAL YEAR 2005

	July - Sept 04 1st Quarter <u>General Fund</u>	Oct - Dec 04 2nd Quarter <u>General Fund</u>	Jan - Mar 05 3rd Quarter <u>General Fund</u>	April - June 05 4th Quarter <u>General Fund</u>
Carson City	\$ 422,453	\$ 258,325	\$ 298,420	\$ 392,568
Churchill	140,543	-	274,924	166,802
Clark	28,545,214	28,530,090	27,142,091	32,781,322
Douglas	1,032,392	748,348	818,571	848,441
Elko	244,419	97,165	165,439	155,670
Esmeralda	938	1,816	1,145	11,839
Eureka	2,772	6,477	5,196	3,026
Humboldt	46,683	62,181	60,897	53,139
Lander	11,846	7,586	10,286	13,855
Lincoln	24,825	103,497	28,393	33,044
Lyon	596,487	609,985	610,908	759,976
Mineral	8,081	5,655	3,084	14,709
Nye	946,156	410,044	425,426	466,430
Pershing	16,140	26,491	25,664	25,851
Storey	48,025	-	129,601	78,341
Washoe	5,061,790	4,876,100	4,425,859	5,516,775
White Pine	25,645	24,969	18,071	22,077
TOTAL FOR QUARTER	\$ 37,174,408	\$ 35,768,728	\$ 34,443,972	\$ 41,343,865
TOTAL FOR YEAR	\$ 37,174,408	\$ 72,943,136	\$ 107,387,109	\$ 148,730,974

NET PROCEEDS OF MINERALS

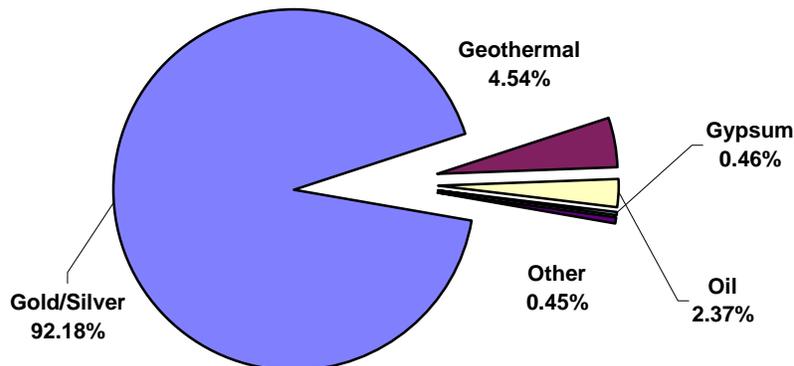
The Nevada Department of Taxation determines the tax on the net proceeds of minerals pursuant to NRS Chapter 362. Producers annually report the gross yield of each separate extractive operation as well as expenses related to the extraction, processing, transportation, and marketing of the mineral. Royalty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

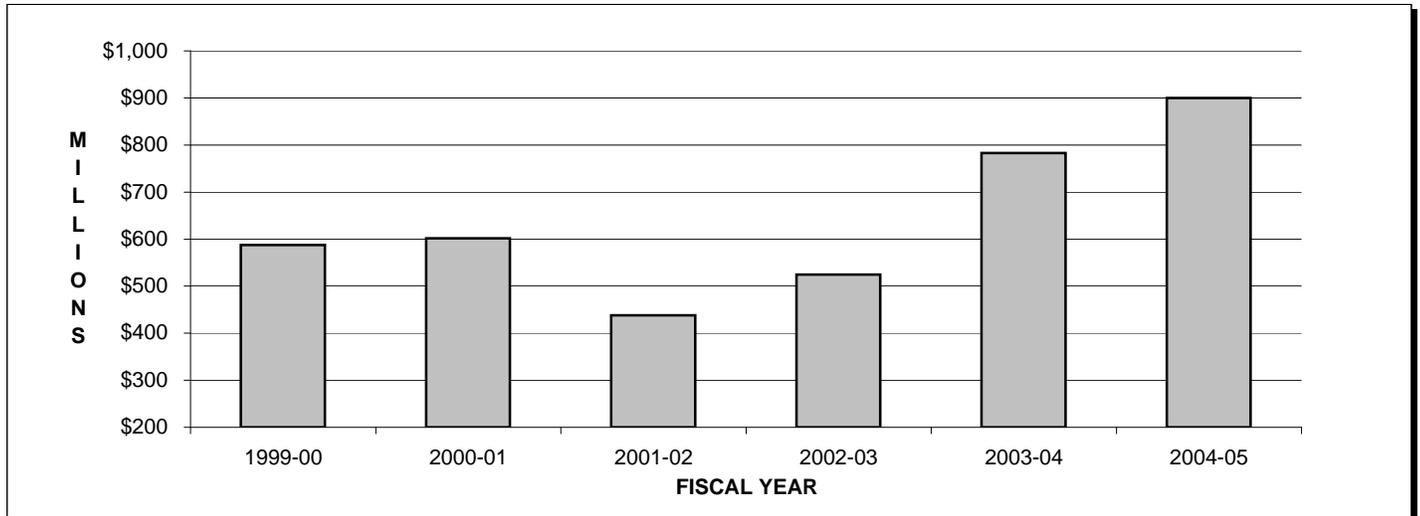
Percent of Total Gross Proceeds by Mineral Type

Mineral Type	Percent of Total Gross Proceeds 2001-2002	Percent of Total Gross Proceeds 2002-2003	Percent of Total Gross Proceeds 2003-2004	Percent of Total Gross Proceeds 2004-2005
Gold/Silver	91.83%	91.63%	94.18%	92.18%
Geothermal	2.07%	2.90%	0.62%	4.54%
Oil	0.45%	0.40%	0.42%	2.37%
Gypsum	0.64%	0.52%	0.52%	0.46%
Other	5.01%	4.55%	4.26%	0.45%
Other includes: Building Stone, Clay, Dolomite, Folrspar, Gemstones, Salt, and other miscellaneous minerals				
	100.00%	100.00%	100.00%	100.00%

Percent of Total Gross Proceeds 2004-2005



ACTUAL NET PROCEEDS OF MINERALS ASSESSED VALUATIONS



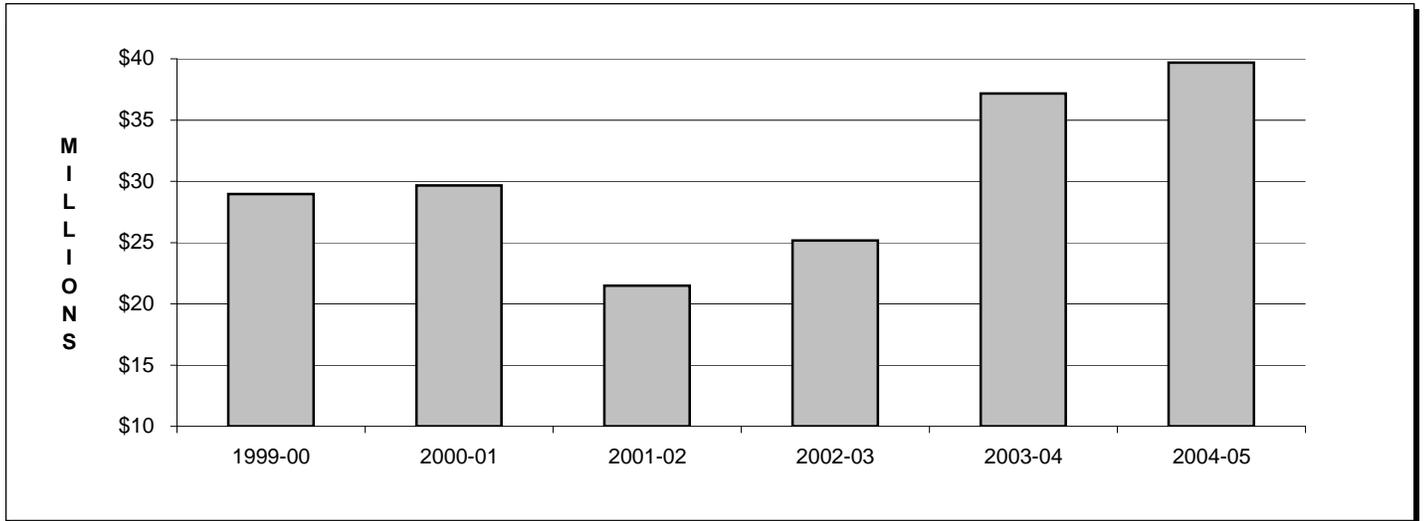
FISCAL YEAR	ACTUAL ASSESSED VALUATION*	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	ACTUAL ASSESSED VALUATION*	% CHANGE FROM PRIOR YEAR
1999-00	\$ 587,254,060	-14.64%	2002-03	\$ 524,535,480	19.75%
2000-01	601,362,809	2.40%	2003-04	783,208,831	49.31%
2001-02	438,013,468	-27.16%	2004-05	899,953,526	14.91%

* Based on actual calendar year reports to the Department.

ACTUAL NET PROCEEDS OF MINERALS ASSESSED VALUATIONS BY COUNTY

COUNTY	2002-03	2003-04	2004-05
Carson City	\$ -	\$ -	\$ -
Churchill	28,894,049	11,741,724	31,139,106
Clark	4,228,234	4,460,800	3,485,211
Douglas	27,797	36,578	29,374
Elko	66,668,138	87,242,534	104,523,070
Esmeralda	1,202,645	493,178	594,393
Eureka	76,095,179	207,305,771	248,186,052
Humboldt	60,985,573	85,028,363	70,036,472
Lander	158,779,195	233,414,110	265,538,030
Lincoln	87,304	44,877	20,813
Lyon	505,896	140,751	192,788
Mineral	179,014	5,884,381	8,221,458
Nye	85,807,820	137,687,050	147,731,884
Pershing	12,931,864	1,439,464	15,876,466
Storey	850,199	402,530	1,025,199
Washoe	867,415	989,482	2,637,610
White Pine	26,425,158	6,897,238	715,600
TOTAL	\$ 524,535,480	\$ 783,208,831	\$ 899,953,526

TAX REVENUE ON NET PROCEEDS OF MINERALS



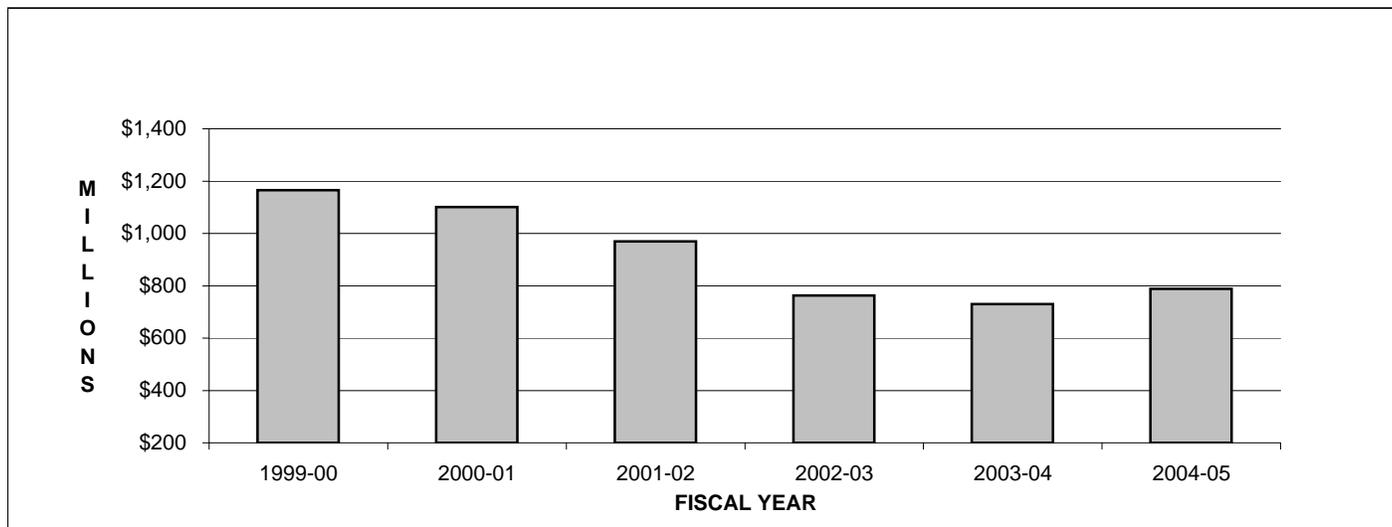
FISCAL YEAR	TAX REVENUE*	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	TAX REVENUE*	% CHANGE FROM PRIOR YEAR
1999-00	\$ 28,957,844	-12.76%	2002-03	\$ 25,162,206	17.07%
2000-01	29,675,250	2.48%	2003-04	37,162,642	47.69%
2001-02	21,492,962	-27.57%	2004-05	39,690,846	6.80%

* Based on actual calendar year reports to the Department.

NET PROCEEDS OF MINERALS TAX DISTRIBUTION FISCAL YEAR 2004-2005

COUNTY	TOTAL DISTRIBUTION
Carson City	\$ -
Churchill	785,752
Clark	82,612
Douglas	662
Elko	2,003,547
Esmeralda	16,934
Eureka	3,356,887
Humboldt	191,595
Lander	9,505,593
Lincoln	617
Lyon	45,793
Mineral	286,929
Nye	5,085,886
Pershing	427,639
Storey	278
Washoe	79,043
White Pine	16,338
TOTAL COUNTY DISTRIBUTION	\$ 21,886,103
State Debt Service Fund	1,381,758
State General Fund	16,399,811
State General Fund (Penalties & Interest)	23,174
TOTAL	\$ 39,690,846

MINING PROPERTIES - ASSESSED VALUATIONS



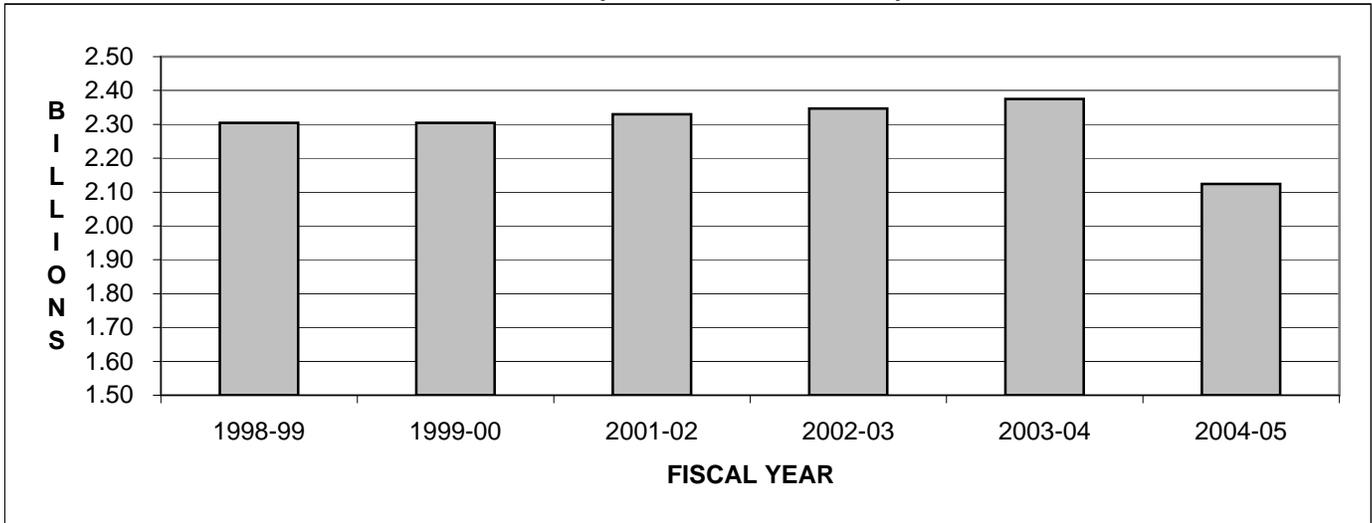
FISCAL YEAR	ASSESSED VALUATION	% CHANGE FROM PRIOR YEAR	FISCAL YEAR	ASSESSED VALUATION	% CHANGE FROM PRIOR YEAR
1999-00	\$1,165,667,231	-7.20%	2002-03	\$ 762,715,050	-21.31%
2000-01	1,101,255,910	-5.53%	2003-04	729,725,160	-4.33%
2001-02	969,260,490	-11.99%	2004-05	788,574,215	8.06%

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 2003-04		FISCAL YEAR 2004-05	
	NUMBER OF APPRAISALS	ASSESSED VALUATION	NUMBER OF APPRAISALS	ASSESSED VALUATION
Carson City	0	\$ -	0	\$ -
Churchill	11	37,807,110	11	40,370,850
Clark	11	25,497,850	11	28,265,610
Douglas	0	-	0	-
Elko	17	49,440,640	21	52,373,690
Esmeralda	11	5,394,040	12	6,543,390
Eureka	24	265,407,060	27	292,430,230
Humboldt	17	141,394,810	18	161,777,450
Lander	27	65,708,100	18	56,942,160
Lincoln	22	611,790	7	217,230
Lyon	12	12,615,200	10	14,253,490
Mineral	5	5,934,000	6	6,313,945
Nye	33	71,278,200	31	72,613,140
Pershing	14	20,921,400	14	25,985,400
Storey	4	1,527,770	6	1,988,230
Washoe	8	11,386,850	8	13,435,900
White Pine	5	14,800,340	5	15,063,500
TOTAL	221	\$ 729,725,160	205	\$ 788,574,215

**INTERSTATE AND INTERCOUNTY VALUATIONS
(ASSESSED VALUE)**



ASSESSMENT YEAR	VALUATION	% CHANGE FROM PRIOR YEAR	ASSESSMENT YEAR	VALUATION	% CHANGE FROM PRIOR YEAR
1999-00	\$ 2,304,358,983	-4.03%	2002-03	\$ 2,346,522,079	0.72%
2000-01	2,304,685,610	0.01%	2003-04	2,375,318,094	1.23%
2001-02	2,329,812,936	1.09%	2004-05	2,124,411,839	-10.56%

**CENTRALLY ASSESSED UNITARY AND CONSTRUCTION WORK IN PROGRESS
TAX DISTRIBUTION
FISCAL YEAR 2004-05**

COUNTY	SECURED UTILITIES & 6-Mo CWIP	PRIVATE CARLINES	UNSECURED, 12-Mo CWIP, & PET	TOTAL TAX
Carson City	\$ 798,676	\$ -	\$ 61,664	\$ 860,340
Churchill	1,266,384	6,378	74,892	1,347,654
Clark	29,625,005	12,452	2,039,158	31,676,616
Douglas	711,218	-	48,274	759,492
Elko	2,722,113	27,802	114,626	2,864,541
Esmeralda	528,714	-	26,063	554,777
Eureka	347,313	4,010	14,196	365,520
Humboldt	2,067,998	13,589	84,642	2,166,228
Lander	1,346,109	6,155	86,913	1,439,177
Lincoln	1,185,434	9,575	23,157	1,218,166
Lyon	1,797,937	4,251	128,446	1,930,634
Mineral	732,414	-	53,695	786,109
Nye	2,147,548	-	119,262	2,266,811
Pershing	1,365,173	11,441	91,181	1,467,795
Storey	297,297	1,373	15,048	313,718
Washoe	8,127,746	12,988	492,951	8,633,686
White Pine	559,885	-	18,178	578,063
Total County Distribution	\$ 55,626,966	\$ 110,015	\$ 3,492,345	\$ 59,229,326
State Debt Service Fund	3,429,919	7,462	210,541	3,647,922
State General Fund - P&I	20,582	1	5,735	26,318
TOTAL	\$ 59,077,468	\$ 117,477	\$ 3,708,621	\$ 62,903,566

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	\$ 128,243	\$ -	\$ 11,708,837	\$ 537,503	\$ 11,179,786	\$ 457,429	\$ -	\$ -	\$ 7,950,930	\$ 194,836	\$ 32,157,563
Churchill	4,073,598	3,151	21,718,837	938,190	8,605,652	274,961	4,979,047	4,592	4,183,728	137,180	44,918,936
Clark	113,803,395	246,693	697,842,745	37,208,056	160,427,016	36,342,929	11,729,233	10,989	23,848,956	422,920	1,081,882,932
Douglas	354,791	0	18,202,056	835,579	2,687,752	109,971		0	10,962,347	142,613	33,295,109
Elko	5,925,644	3,438	42,688,381	1,166,666	4,342,895	177,693	22,688,162	20,719	25,846,869	491,744	103,352,211
Esmeralda	7,874,343	50,347	10,000,017	401,256	0	0	0	0	227,248	4,628	18,557,838
Eureka	2,449,333	7,845	8,575,606	307,749	638,332	26,118	4,386,937	3,993	3,398,633	63,469	19,858,013
Humboldt	2,854,558	4,858	63,764,561	1,497,731	6,599,919	270,040	12,349,166	11,264	9,299,057	190,170	96,841,325
Lander	4,732,280	1,762	24,342,646	1,115,719	1,093,056	44,723	3,592,058	3,275	4,706,229	129,713	39,761,461
Lincoln	5,391,957	4,256	6,817,412	333,664	8,669,307	6,381,522	8,529,357	7,991	8,436,584	34,806	44,606,855
Lyon	2,162,184	9,134	37,368,009	1,567,886	8,394,389	306,831	3,399,355	3,165	9,070,672	218,733	62,500,360
Mineral	4,165,496	19,741	15,186,138	618,257	472,790	19,345	0	0	492,841	11,344	20,985,951
Nye	14,685,513	56,800	42,578,137	1,372,904	395,749	16,192	0	0	7,829,987	177,552	67,112,834
Pershing	1,637,439	1,392	22,898,506	988,123	8,365,211	342,269	7,442,311	6,786	5,850,050	133,990	47,666,077
Storey	964,811	3,830	3,680,046	168,935	2,300,775	25,839	774,772	707	907,421	12,097	8,839,235
Washoe	22,217,820	37,858	92,626,764	3,909,565	65,531,371	1,387,739	11,301,601	10,419	61,057,509	1,436,016	259,516,661
White Pine	1,055,595	3,196	8,743,303	133,816	0	0	-	0	2,518,939	38,690	\$ 12,493,540
Total	\$ 194,477,000	\$ 454,300	\$ 1,128,742,000	\$ 53,101,600	\$ 289,704,000	\$ 46,183,600	\$ 91,172,000	\$ 83,900	\$ 186,588,000	\$ 3,840,500	\$ 1,994,346,900

*Includes values amended by the State Board of Equalization through September 21, 2004

State Board Cases:

- Eagle Jet Charter, Inc. 2004-05 assessed value revised from \$310,200 to \$0 per State Board of Equalization 9/21/04
- Corban Communications, Inc. 2004-05 assessed value revised from \$231,000 to \$0 per State Board of Equalization 3/22/04
- Wiltel Communications, Inc. 2004-05 assessed value revised from \$4,960,000 to \$3,860,000 per State Board of Equalization 3/22/04
- Broadwing Comm. 2004-05 assessed value revised from \$3,974,000 to \$203,000 per State Board of Equalization 4/26/04

**2004-2005 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	Total All Unsecured
				Airlines*	Electrics	Gas/Pipeline	Railroad	Communication		
Carson City	\$ 40,546	\$ -	\$ -	\$ -	\$1,095,775	\$ 867,658	\$ -	\$ 484,759	\$ 2,448,193	\$ 2,488,739
Churchill	73,161	248,366	0	6,017	1,963,254	521,550	11,121	339,857	2,841,799	3,163,326
Clark	8,840,406	476,640	62,833	128,180	56,404,342	7,855,110	26,614	1,055,893	65,470,139	74,850,018
Douglas	103,276	0	0	1	1,703,445	208,595	0	265,309	2,177,351	2,280,627
Elko	219,953	1148167	0	4,939	2,432,516	337,050	50,180	1,207,623	4,032,309	5,400,429
Esmeralda	82,373	0	0	15,104	817,431	0	0	11,445	843,980	926,353
Eureka	28,919	249982	0	5,114	632,497	49,541	9,671	154,364	851,187	1,130,088
Humboldt	81,501	653462	0	1,374	3,076,976	512,217	27,281	215,738	3,833,586	4,568,549
Lander	25,549	193207	0	4,498	2,274,577	84,832	7,932	322,110	2,693,948	2,912,704
Lincoln	13,034	371,013	67,834	3,059	599,645	86,541	19,353	101,660	810,259	1,262,140
Lyon	117,872	152972	0	3,437	3,323,155	582,002	7,666	526,406	4,442,665	4,713,509
Mineral	165,131	0	0	7,592	1,324,345	36,693	0	28,061	1,396,691	1,561,822
Nye	686,006	0	0	21,828	2,731,985	30,714	0	441,247	3,225,774	3,911,780
Pershing	131,141	398674	0	467	2,068,689	649,220	16,436	325,675	3,060,487	3,590,302
Storey	17,101	40824	0	1,256	344,398	59,275	1,712	28,489	435,131	493,056
Washoe	464,788	463,431	3,333	15,652	8,279,244	3,430,201	25,234	3,606,969	15,357,301	16,288,853
White Pine	136,844	0	0	2,580	286,927	0	0	96,294	385,801	522,645
Total	\$11,227,601	\$4,396,738	\$134,000	\$221,100	\$89,359,200	\$15,311,200	\$203,200	\$9,211,900	\$114,306,600	\$130,064,939

* Includes values certified by the Tax Commission on Oct. 4, 2004.

** Includes values amended by the State Board of Equalization through March 28, 2005.

State Board Cases

Omni Air International, reduced assessment from \$3,709,000 to \$2,968,000 by State Board of Equalization on 3/28/05.

CWIP = Construction Work in Progress

PET = Property Escaping Taxation

**2004-2005 TAX YEAR
CENTRALLY ASSESSED UTILITIES TAX ROLL SUMMARY**

	Secured Unitary Assessments	Secured 6 Mo. CWIP *	Unsecured Airline Assessments	Unsecured Carline Assessments	Unsecured PET ** Assessments	Unsecured 12 Mo. CWIP Assessments	Combined Number of Assessments	Secured Total Value Assessments	Unsecured Total Value Assessments	Combined Total Value Assessments
Carson City	14	6	5	0	0	5	30	\$ 32,157,563	\$ 2,488,739	\$ 34,646,302
Churchill	33	11	4	179	0	13	240	44,918,936	3,163,326	48,082,261
Clark	84	22	18	108	3	25	260	1,081,882,932	74,850,018	1,156,732,950
Douglas	10	4	5	0	0	4	23	33,295,109	2,280,627	35,575,736
Elko	36	18	3	180	0	19	256	103,352,211	5,400,429	108,752,640
Esmeralda	12	6	4	0	0	9	31	18,557,838	926,353	19,484,191
Eureka	27	13	5	180	0	13	238	19,858,013	1,130,088	20,988,101
Humboldt	29	11	5	180	0	12	237	96,841,325	4,568,549	101,409,874
Lander	30	12	4	180	0	13	239	39,761,461	2,912,704	42,674,165
Lincoln	33	10	2	108	2	14	169	44,606,855	1,262,140	45,868,995
Lyon	35	10	4	166	0	15	230	62,500,360	4,713,509	67,213,869
Mineral	20	7	4	0	0	11	42	20,985,951	1,561,822	22,547,773
Nye	30	10	5	0	0	12	57	67,112,834	3,911,780	71,024,613
Pershing	28	10	5	180	0	12	235	47,666,077	3,590,302	51,256,379
Storey	23	9	4	166	0	11	213	8,839,235	493,056	9,332,290
Washoe	55	16	10	180	1	20	282	259,516,661	16,288,853	275,805,514
White Pine	21	5	3	0	0	7	36	12,493,540	522,645	13,016,185
Total	520	180	90	1,807	6	215	2,818	\$ 1,994,346,900	\$ 130,064,939	\$ 2,124,411,839

* Construction Work in Progress

** Property Escaping Taxation

LOCAL GOVERNMENT FINANCE SECTION

The purpose of the Local Government Finance section is to oversee the financial administration of Nevada's counties, cities and districts. For the Fiscal Year ended June 30, 2005, this consisted of overseeing the financial activities of 17 counties, 18 incorporated cities, 48 unincorporated towns, 17 school districts, 163 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 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.

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

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

Fees for Licenses and Permits

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

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

INDEBTEDNESS

Medium Term Obligations

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

Annual Indebtedness Report

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

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

BUDGETS

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

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

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 (continued)

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 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 2004-2005

	COUNTY	SCHOOL	CITIES	TOWNS	DISTRICTS	TOTAL
Carson City	\$ 99,703,987	\$ 73,187,822	\$ -	\$ -	\$ 9,415,398	\$ 182,307,207
Churchill	52,043,201	41,841,213	17,034,111	-	1,237,910	112,156,435
Clark	3,210,603,095	3,332,870,558	1,329,446,462	14,010,402	1,205,788,071	9,092,718,588
Douglas	63,815,638	71,595,381	-	4,579,319	50,754,311	190,744,649
Elko	53,432,055	85,360,880	45,320,932	2,705,058	5,910,996	192,729,921
Esmeralda	4,765,047	1,319,489	-	4,977,273	-	11,061,809
Eureka	12,328,756	4,808,014	-	766,805	450,100	18,353,675
Humboldt	20,872,314	36,072,060	7,348,454	-	19,095,471	83,388,299
Lander	17,050,485	12,974,886	-	1,709,700	7,213,069	38,948,140
Lincoln	6,761,489	14,137,133	3,206,101	929,248	6,586,395	31,620,366
Lyon	43,104,718	88,291,384	12,253,515	-	9,976,806	153,626,423
Mineral	8,067,494	9,075,772	-	1,400,950	9,611,134	28,155,350
Nye	56,060,324	52,428,082	-	12,102,485	3,257,387	123,848,278
Pershing	9,826,585	10,868,072	1,890,220	55,527	9,444,737	32,085,141
Storey	8,263,249	6,419,806	-	94,500	944,294	15,721,849
Washoe	490,428,859	541,293,372	510,308,532	-	371,048,313	1,913,079,076
White Pine	9,394,230	13,862,476	3,836,246	113,567	19,642,450	46,848,969
Multicounty Districts					22,584,689	22,584,689
TOTALS	\$ 4,166,521,526	\$ 4,396,406,400	\$ 1,930,644,573	\$ 43,444,834	\$ 1,752,961,531	\$ 12,289,978,864

* Source: Final budgets filed June 1, 2004

Amounts do not include transfers, ending fund balances or contingencies.