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State of Nevada Assembly

Seventy-First Session

April 4, 2002

Mr. Guy Hobbs, Chairman
Governor's Task Force on Tax Policy
3900 Paradise Road, Suite 152
Las Vegas, Nevada 89109

Dear Mr. Hobbs:

At its meeting of March 21, 2002, the Legislative Committee for Local Government Taxes and Finance received information on state-levied taxes and other revenues available to fund the state budget. Since the Task Force's discussion has included comparative responsiveness of different revenues to population and CPI, it was felt this information should be shared with the Task Force.

The data presented included revenues directly deposited to the State General Fund and state-imposed taxes, which offset appropriations fulfilling state responsibility to support public education and pay state debt. The enclosed table shows that in fiscal year ending June 30, 2001, nearly two-thirds of the revenue needed to fund these state responsibilities was available from either property taxes or sales taxes, both of which generally respond positively to growth in population and CPI over the long term.

In the spirit of cooperation the Legislative Committee for Local Government Taxes and Finance has directed that this information be forwarded to the Governor's Task Force.

Sincerely,

A handwritten signature in black ink, appearing to read "David Parks".

Assemblyman David Parks, Chairman
Legislative Committee for Local Government
Taxes and Finance

Attachment

STATE LEVIED TAXES AND OTHER REVENUES
AVAILABLE TO FUND THE STATE BUDGET (1)

	STATE AMOUNT	PERCENT OF TOTAL
PROPERTY TAXES		
STATE DEBT	\$74.6	2.6%
STATE LEVY FOR SCHOOLS	373.0	12.9%
MINING	14.7	0.5%
SALES TAXES		
STATE SALES	645.8	22.4%
STATE IMPOSED FOR SCHOOLS	700.1	24.3%
LIQUOR, CIGARETTE, & OTHER TOBACCO	65.0	2.3%
SUBTOTAL	\$1,873.2	65.0%
GAMING	668.4	23.2%
INSURANCE PREMIUM	146.9	5.1%
OTHER TAXES	5.0	0.2%
BUSINESS LICENSE	77.8	2.7%
OTHER LICENSES	50.1	1.7%
FEES, FINES FORFEITURES	13.1	0.5%
INVESTMENTS	27.6	1.0%
OTHER REVENUE	19.7	0.7%
GRAND TOTAL	<u>\$2,881.8</u>	<u>100.0%</u>

(1) ILLUSTRATION BASED ON FY 2001 ACTUAL REVENUES
DIRECT STATE GENERAL FUND DEPOSITS AND
REVENUES OFFSETTING STATE APPROPRIATIONS