

**REPORT TO THE INTERIM FINANCE COMMITTEE FROM THE ECONOMIC FORUM
AS REQUIRED BY NRS 353.228 (A.B. 332-2011)
By Ken Wiles, Chairman**

Overview of Provisions Established in Assembly Bill 332

Assembly Bill 332 from the 2011 Legislative Session requires the Economic Forum to hold a meeting on or before December 10 of each odd-numbered year and on or before June 10 of each even-numbered year. At each meeting, the Economic Forum is required to consider current economic indicators, such as employment, unemployment, personal income, and any other indicators deemed appropriate by the Economic Forum. The Economic Forum is required to provide a report comparing actual State General Fund revenue collections to the Economic Forum's most recent forecast. The provisions established for the Economic Forum under A.B. 332 are not intended to authorize the Economic Forum to make additional General Fund revenue forecasts at these December and June meetings.

The Chair of the Economic Forum or the staff of the Economic Forum is required to present to the Interim Finance Committee (IFC), at the next appropriate meeting of the IFC, a report regarding matters considered by the Economic Forum at its meeting. Information presented to the IFC must be made available on the Legislative Counsel Bureau's website.

Summary of the Economic Forum's December 8, 2017, Meeting

The Economic Forum held its meeting under the provisions established in A.B. 332 on Friday, December 8, 2017. The members of the Economic Forum are: Ken Wiles (chair), Matt Maddox (vice chair), Linda Rosenthal, Marvin Leavitt, and Jennifer Lewis. All members, except for Mr. Maddox, attended the December meeting.

At the meeting, the Economic Forum received the following presentations on state economic indicators and conditions:

State Employment Outlook by Christopher Robison, Supervising Economist with the Research and Analysis Bureau of the Department of Employment, Training and Rehabilitation.

State Population Outlook by Jeff Hardcastle, State Demographer with the Department of Taxation.

State Enrollment Related to the Federal Affordable Care Act and the Purchase of Health Insurance Plans Through the Silver State Health Insurance Exchange by Heather Korbolic, Director, Silver State Health Insurance Exchange; Nicholas Stosic, Insurance Regulation Liaison, and Glenn Shippey, Actuarial Analyst, of the Department of Business and Industry, Insurance Division.

A presentation was provided on the tax changes approved by the Legislature during the 2017 Session and the adjustments made to the Economic Forum's May 1, 2017, General Fund revenue forecast to account for the legislative actions approved during the 2017 Session.

A report was provided on the actual General Fund collections in aggregate, as well as by revenue source, for FY 2017 compared to the Economic Forum's December 3, 2014; May 1, 2015; December 6, 2016; and May 1, 2017, forecasts for that fiscal year.

A report was provided by Kile Porter, Economist, Department of Taxation, on the Commerce Tax statistics by business category for FY 2016 and FY 2017, including the amount of tax credits taken against the Modified Business Tax (MBT) in FY 2017 for the Commerce Tax paid for FY 2016.

As required under the provisions of A.B. 332, the Economic Forum reviewed the status of current actual fiscal year-to-date collections compared to the May 2017 forecast for FY 2018, based on information prepared by staff from the Fiscal Analysis Division and Budget Division. Later in this report, a summary is provided of the information presented to the Economic Forum regarding the status of actual fiscal year-to-date collections available at the December 8, 2017, meeting compared to the estimated fiscal year-to-date forecast for FY 2018 based on the Economic Forum's May 2017 forecast adjusted for measures approved by the 2017 Legislature, as well as the tax credit programs.

All material presented to the Economic Forum at the December 8, 2017, meeting is available on the Legislative Counsel Bureau's website at the following location:

<https://www.leg.state.nv.us/App/InterimCommittee/REL/Interim2017/Meeting/4842>

Fiscal Year 2018 Actual Fiscal Year-to-Date Collections Compared to Economic Forum May 2017 Forecast as Presented at the December 8, 2017, Meeting

Based on the information available to report at the December 8, 2017, meeting, actual total General Fund revenue collections fiscal year-to-date for FY 2017 of \$1,096.6 million, after the application of Commerce Tax credits and before the application of any tax credits against certain revenue sources, were **\$24.1 million or 2.2 percent above** the estimated fiscal year-to-date total General Fund revenue forecast of \$1,072.5 million based on the Economic Forum's May 1, 2017, forecast adjusted for measures approved by the 2017 Legislature. The amount of fiscal year-to-date collections reported at the December meeting represented approximately 27.0 percent of the total fiscal year revenue for FY 2018. Due to the monthly and quarterly collection cycle of the individual State General Fund revenue sources, the actual fiscal year-to-date collections represent from 3 to 5 months for the monthly revenue sources and one quarter of collections for the quarterly revenue sources. The following provides the information presented at the December 8, 2017, meeting for the seven major General Fund revenue sources:

State 2% Sales Tax: Actual fiscal year-to-date collections of \$280.7 million through 3 months of FY 2018 were **\$3.3 million or 1.2 percent below** the estimated fiscal year-to-date forecast of \$284.0 million.

Gaming Percentage Fees Tax: Actual fiscal year-to-date collections of \$321.2 million through 5 months of FY 2016 were **\$16.9 million or 5.5 percent above** the estimated fiscal year-to-date forecast of \$304.3 million.

Insurance Premium Tax: Actual fiscal year-to-date collections of \$106.4 million through the first quarter were **\$5.1 million or 5.0 percent above** the estimated fiscal year-to-date forecast of \$101.3 million.

Modified Business Tax (Non-Financial, Financial, and Mining Combined): Actual fiscal year-to-date collections of \$151.1 million through the first quarter were **\$10.4 million or 6.4 percent below** the estimated fiscal year-to-date forecast of \$161.5 million.

Live Entertainment Tax (Gaming): Actual fiscal year-to-date collections of \$36.4 million through 5 months were **\$1.5 million or 3.9 percent below** the estimated fiscal year-to-date forecast of \$37.9 million.

Real Property Transfer Tax: Actual fiscal year-to-date collections of \$27.0 million through the first quarter were **\$5.7 million or 26.8 percent above** the estimated fiscal year-to-date forecast of \$21.3 million.

Commerce Tax: Actual fiscal year-to-date collections of \$7.5 million through 5 months have been posted in FY 2018 as tax payments related to prior fiscal years. No collections for this revenue source have been received for FY 2018, as the due date for the tax is August 14, 2018.

The actual fiscal year-to-date collections for these seven major General Fund revenue sources of \$930.3 million were **\$20.0 million or 2.2 percent above** the estimated fiscal year-to-date forecast for these seven revenue sources of \$910.3 million.

Actual fiscal year-to-date collections for the ten selected non-major General Fund revenues of \$158.9 million were **\$1.5 million or 0.9 percent above** the estimated fiscal year-to-date forecast for these ten revenue sources of \$157.4 million.

Live Entertainment Tax (Non-Gaming): Actual fiscal year-to-date collections of \$5.5 million are **\$1.9 million or 51.5 percent above** the estimated fiscal year-to-date forecast of \$3.6 million.

Cigarette Tax: Actual fiscal year-to-date collections of \$40.2 million are **\$5.6 million or 12.3 percent below** the estimated fiscal year-to-date forecast of \$45.8 million.

Business License Fee: Actual fiscal year-to-date collections of \$40.7 million are **\$1.8 million or 4.5 percent above** the estimated fiscal year-to-date forecast of \$38.9 million.

Actual fiscal year-to-date collections for All Other General Fund revenue sources of \$47.3 million were **\$2.5 million or 5.7 percent above** the estimated fiscal year-to-date forecast of \$44.8 million.

A total of \$39.9 million in tax credits through the first quarter have been taken against the Modified Business Tax (MBT) for Commerce Tax paid for FY 2017 compared to the forecast for the complete FY 2018 period of \$88.8 million.

A total of \$38.5 million in tax credits have been used through 5 months in FY 2018, of a total of \$95.0 million in tax credits that were forecast to be used during this fiscal year.

Additional Information

Based on the Economic Forum's direction to staff, the Fiscal Analysis Division will update the tables attached to this report on a quarterly basis and distribute them to the members of the Economic Forum and place them on the Economic Forum's page on the Legislative Counsel Bureau's website.

The Economic Forum will hold its next informational updated meeting on or before June 10, 2018 and meetings will be held in October and November in preparation for the General Fund revenue forecast that must be approved on or before December 3, 2018. This General Fund revenue forecast for FY 2019, FY 2020, and FY 2021 must be used by the Governor in preparing The Executive Budget for the 2019-21 biennium that will be considered by the Legislature during the 80th Regular Session.

Attached is a version of the set of tables presented to the Economic Forum at their December 8, 2017, meeting that has been updated to reflect additional actual collections information that has been reported since the December meeting. These tables include an additional 2 months of actual collections for the monthly revenue sources, but still only the first quarter of actual collections for the quarterly revenue sources.

ATTACHMENT

FY 2018 General Fund Revenue Status Report – February 2018 Update
Actual Collections Compared to the Economic Forum May 1, 2017 Forecast
Fiscal Year-to-Date Collections Available through January 31, 2018

The Economic Forum directed staff to update and distribute tables on a regular basis that display the status of actual fiscal year-to-date collections compared to the Economic Forum's May 2017 forecast for the State General Fund revenue sources for FY 2018. The Economic Forum's forecast for FY 2018 was based on the legislative actions approved during the 79th Legislative Session (2017) that impacted General Fund revenue sources. These tables provide information for the seven major General Fund revenue sources, ten of the selected non-major revenue sources, and an All Other General Fund revenue category, before and after tax credits. Attached to this report are six tables, which have been updated by the Fiscal Analysis Division, based on General Fund revenue collection information for FY 2018 through January 2018 available in the State Controller's system from January 31, 2018.

Fiscal Year 2018 Actual Collections Compared to the Economic Forum May 2017 Forecast: Updated based on Revenue Collection Information Available through January 2018 based on information in Controller's System from January 31, 2018

Based on the information presented in Table 2, actual total General Fund revenue collections fiscal year-to-date for FY 2018 of \$1,534.3 million, after the application of Commerce Tax credits and before the application of any tax credits taken against certain revenue sources, are **\$23.1 million or 1.5 percent above** the estimated fiscal year-to-date total General Fund revenue forecast of \$1,511.2 million based on the Economic Forum's May 1, 2017, forecast, adjusted for measures approved by the 2017 Legislature. The amount of fiscal year-to-date collections based on this February 2018 update represents approximately 37.8 percent of the total fiscal year revenue for FY 2018. Due to the monthly and quarterly collection cycle of the individual State General Fund revenue sources, the actual fiscal year-to-date collections represent from 5 to 7 months for the monthly revenue sources and the first quarter for the quarterly revenue sources. The second quarter of collections for the quarterly revenue sources will not be reported by the Department of Taxation until the end of February and will be included in the FY 2018 General Fund Revenue Status Report published in March. The following provides the information based on this February 2018 update for the seven major General Fund revenue sources before the application of any tax credits:

State 2% Sales Tax: Actual fiscal year-to-date collections of \$463.6 million through 5 months of FY 2018 are **\$4.8 million or 1.0 percent below** the estimated fiscal year-to-date forecast of \$468.4 million.

Gaming Percentage Fees Tax: Actual fiscal year-to-date collections of \$418.0 million through 7 months of FY 2018 are **\$6.1 million or 1.5 percent above** the estimated fiscal year-to-date forecast of \$411.9 million.

Insurance Premium Tax: Actual fiscal year-to-date collections of \$106.4 million through the first quarter of FY 2018 are **\$5.1 million or 5.0 percent above** the estimated fiscal year-to-date forecast of \$101.3 million.

FY 2018 General Fund Revenue Status Report – February 2018 Update
Actual Collections Compared to the Economic Forum May 1, 2017 Forecast
Fiscal Year-to-Date Collections Available through January 31, 2018

Modified Business Tax (Non-Financial, Financial, and Mining Combined): Actual fiscal year-to-date collections of \$151.1 million through the first quarter of FY 2018 are **\$10.4 million or 6.4 percent below** the estimated fiscal year-to-date forecast of \$161.5 million.

Live Entertainment Tax (Gaming): Actual fiscal year-to-date collections of \$51.7 million through 7 months of FY 2018 are **\$3.4 million or 6.2 percent below** the estimated fiscal year-to-date forecast of \$55.1 million.

Real Property Transfer Tax: Actual fiscal year-to-date collections of \$27.0 million through the first quarter of FY 2018 are **\$5.7 million or 26.8 percent above** the estimated fiscal year to-date forecast of \$21.3 million.

Commerce Tax: Actual fiscal year-to-date collections for this tax of \$9.4 million through 5 months have been posted in FY 2018 as tax payments related to prior fiscal years. No collections for this revenue source have been received for FY 2018, as the due date for the tax is on August 14, 2018.

The actual fiscal year-to-date collections for FY 2018 for these seven major General Fund revenue sources of \$1,227.0 million are **\$7.6 million or 0.6 percent above** the estimated fiscal year-to-date forecast for these seven revenue sources of \$1,219.4 million.

Actual fiscal year-to-date collections for FY 2018 for the ten selected non-major General Fund revenues, as shown in Table 2, of \$264.0 million are **\$7.4 million or 2.9 percent above** the estimated fiscal year-to-date forecast for these ten revenue sources of \$256.6 million.

Live Entertainment Tax (Non-Gaming): Actual fiscal year-to-date collections of \$10.9 million are **\$1.3 million above** the estimated fiscal year-to-date forecast of \$9.6 million.

Cigarette Tax: Actual fiscal year-to-date collections of \$69.1 million are **\$800,000 below** the estimated fiscal year-to-date forecast of \$69.9 million

Business License Fee: Actual fiscal year-to-date collections of \$60.0 million are **\$2.3 million above** the estimated fiscal year-to-date forecast of \$57.7 million.

Secretary of State – Commercial Filings: Actual fiscal year-to-date collections of \$42.5 million are **\$1.1 million above** the estimated fiscal year-to-date forecast of \$41.4 million.

FY 2018 General Fund Revenue Status Report – February 2018 Update
Actual Collections Compared to the Economic Forum May 1, 2017 Forecast
Fiscal Year-to-Date Collections Available through January 31, 2018

Actual fiscal year-to-date collections for FY 2018 for All Other General Fund revenue sources, as shown in Table 2, of \$83.2 million are **\$8.0 million or 10.6 percent above** the estimated fiscal year-to-date forecast of \$75.2 million.

A total of \$39.9 million in tax credits through the first quarter have been taken against the Modified Business Tax (MBT) for Commerce Tax paid for FY 2017 compared to the forecast for the complete FY 2018 period of \$88.8 million.

As shown in Table 6, a total of \$52.3 million in tax credits have been used year-to-date in FY 2018, of a total of \$95.0 million in tax credits that were forecast to be used during this fiscal year. The amount of tax credits taken for each revenue source are shown in this table, with the actual year-to-date revenues for each revenue source after the tax credits have been taken shown in Table 5.

Film Transferrable Tax Credits: Actual fiscal year-to-date credits used through 7 months of FY 2018 are \$0. The Economic Forum May 2017 forecast for the amount of these credits that would be used in FY 2018 is \$11.7 million.

Economic Development Transferrable Tax Credits: Actual fiscal year-to-date credits used through 7 months of FY 2018 are \$44.3 million. The Economic Forum May 2017 forecast for the amount of these credits that would be used in FY 2018 is \$31.1 million.

Catalyst Account Transferrable Tax Credits: Actual fiscal year-to-date credits used through 7 months of FY 2018 are \$255,000. The Economic Forum May 2017 forecast for the amount of these credits that would be used in FY 2018 is \$2.0 million.

Nevada New Markets Job Act Tax Credits: Actual fiscal year-to-date credits used through the first quarter of FY 2018 are \$5.1 million. The Economic Forum May 2017 forecast for the amount of these credits that would be used in FY 2018 is \$24.0 million.

Education Choice Scholarship Tax Credits: Actual fiscal year-to-date credits used through the first quarter of FY 2018 are \$2.6 million. The Economic Forum May 2017 forecast for the amount of these credits that would be used in FY 2018 is \$26.1 million.

College Savings Plan Tax Credits: Actual fiscal year-to-date credits used through the first quarter of FY 2018 are \$0. The Economic Forum May 2017 forecast for the amount of these credits that would be used in FY 2018 is \$138,000.

TABLE 1
State General Fund Revenues: FY 2017 Actual and FY 2018 Forecast (BEFORE TAX CREDITS)
FY 2018 Forecast is the Economic Forum (EF) May 1, 2017, Forecast Adjusted for Actions Approved by the 2017 Legislature (79th Session)

Revenue Source	FY 2017 Actual			FY 2018 Forecast			Percent of Total General Fund	
	Fiscal Year Actual	FY Actual % Change	EF May 2017 FY Forecast % Change	Fiscal Year Forecast	EF May 2017 FY Forecast % Change	FY Forecast % Change Based on FY 2017 Actual	FY 2017 Actual Percent of Total General Fund	FY 2018 Forecast Percent of Total General Fund
Major General Fund Revenues								
Sales and Use Tax	\$1,090,695,356	5.2%	4.9%	\$1,154,724,000	6.2%	5.9%	27.3%	28.2%
Percentage Fees Tax	\$730,496,482	4.2%	4.3%	\$746,753,000	2.2%	2.2%	18.3%	18.2%
Insurance Premium Tax	\$383,635,486	14.5%	12.9%	\$395,753,000	4.6%	3.2%	9.6%	9.7%
Total Modified Business Tax (MBT)	\$623,645,530	10.1%	7.6%	\$640,566,000	5.1%	2.7%	15.6%	15.6%
MBT-Nonfinancial	\$573,574,680	10.9%	8.1%	\$587,972,000	5.2%	2.5%	14.4%	14.3%
MBT-Financial	\$27,921,155	2.7%	3.8%	\$29,819,000	5.7%	6.8%	0.7%	0.7%
MBT-Mining	\$22,149,694	1.0%	1.3%	\$22,775,000	2.4%	2.8%	0.6%	0.6%
Live Entertainment Tax (Gaming)	\$102,328,255	-8.6%	-9.2%	\$106,663,000	4.8%	4.2%	2.6%	2.6%
Real Property Transfer Tax	\$83,957,113	10.8%	8.2%	\$86,628,000	5.6%	3.2%	2.1%	2.1%
Commerce Tax	\$197,827,208	37.9%	41.7%	\$186,046,000	-8.5%	-6.0%	5.0%	4.5%
Total: Major General Fund Revenues	\$3,212,585,430	8.2%	7.5%	\$3,317,133,000	3.9%	3.3%	80.4%	80.9%
Select Non-Major General Fund Revenues								
Transportation Connection Excise Tax	\$23,101,058	94.2%	91.9%	\$18,848,000	-17.4%	-18.4%	0.6%	0.5%
Live Entertainment Tax (Non-Gaming)	\$26,977,758	63.1%	52.1%	\$26,150,000	4.0%	-3.1%	0.7%	0.6%
Cigarette Tax	\$180,677,113	18.1%	14.4%	\$172,577,000	-1.4%	-4.5%	4.5%	4.2%
Governmental Services Tax [1.]	\$38,567,416	-42.2%	-42.8%	\$19,367,000	-49.2%	-49.8%	1.0%	0.5%
Business License Fee	\$104,858,331	1.8%	1.6%	\$105,559,000	0.9%	0.7%	2.6%	2.6%
Liquor Tax	\$43,868,496	-0.2%	-2.3%	\$43,588,000	1.5%	-0.6%	1.1%	1.1%
Other Tobacco Tax	\$14,693,540	11.9%	10.3%	\$15,086,000	4.1%	2.7%	0.4%	0.4%
SOS Commercial Filings	\$74,606,592	1.2%	1.0%	\$75,120,000	0.9%	0.7%	1.9%	1.8%
SOS Securities	\$28,304,481	1.2%	-0.2%	\$27,923,000	0.0%	-1.3%	0.7%	0.7%
Short-Term Car Rental Tax	\$52,467,963	1.1%	3.8%	\$55,584,000	3.1%	5.9%	1.3%	1.4%
Total: Select Non-Major General Fund Revenues	\$588,122,748	4.7%	3.1%	\$559,802,000	-3.4%	-4.8%	14.7%	13.7%
Total: All Other General Fund Revenues [2.]	\$195,436,961	-10.0%	-13.4%	\$222,333,896	18.2%	13.8%	4.9%	5.4%
Total: General Fund Revenues - Before Tax Credits	\$3,996,145,139	6.6%	5.6%	\$4,099,268,896	3.5%	2.6%	100.0%	100.0%
Commerce Tax Credits	-\$43,715,654			-\$88,763,000			-1.1%	-2.2%
Total: General Fund Revenues - After Commerce Tax Credits	\$3,952,429,484	5.4%	3.6%	\$4,010,505,896	3.2%	1.5%	98.9%	97.8%
Total: Tax Credit Programs	-\$71,923,277			-\$94,996,426			-1.8%	-2.3%
Film Transferrable Tax Credits [TC-1]	-\$5,222,720			-\$11,720,926			-0.1%	-0.3%
Economic Development Transferrable Tax Credits [TC-2]	-\$36,850,519			-\$31,087,500			-0.9%	-0.8%
Catalyst Account Transferrable Tax Credits [TC-4]	\$0			-\$2,000,000			0.0%	0.0%
Nevada New Markets Job Act Tax Credits [TC-3]	-\$25,153,081			-\$24,000,000			-0.6%	-0.6%
Education Choice Scholarship Tax Credits [TC-5]	-\$4,696,956			-\$26,050,000			-0.1%	-0.6%
College Savings Plan Tax Credits [TC-6]	\$0			-\$138,000			0.0%	0.0%
Total: General Fund Revenues - After Tax Credits	\$3,880,506,208	5.1%	3.2%	\$3,915,509,470	2.7%	0.9%	97.1%	95.5%

TABLE 2

State General Fund Revenues: FY 2018 - Actual Compared to Forecast (**BEFORE TAX CREDITS**) [a.] [b.]

FY 2018 Forecast Year-to-Date Based on the Economic Forum FY 2018 Forecast Percent Change Based on FY 2017 Actual from Table 1

Revenue Source (Number of Periods Reported Fiscal YTD)	FY 2017 Actual Year-to-Date			FY 2018 Actual Year-to-Date [c.]			FY 2018 Forecast Year-to-Date				
	Fiscal YTD Actual	Fiscal YTD Actual % Change	Fiscal YTD as a % of Fiscal Year Actual Total*	Fiscal YTD Actual	Fiscal YTD Actual % Change	Fiscal YTD as a % of Fiscal Year Forecast Total*	Fiscal YTD Forecast	Fiscal YTD Forecast % Change	Fiscal YTD as a % of Fiscal Year Forecast Total*	Dollar Difference: Actual less Forecast	Percent Difference Relative to Forecast
Major General Fund Revenues											
Sales and Use Tax (5 Months)	\$442,394,002	4.9%	40.6%	\$463,589,368	4.8%	40.1%	\$468,364,487	5.9%	40.6%	-\$4,775,119	-1.0%
Percentage Fees Tax (7 Months)	\$402,917,107	6.0%	55.2%	\$417,969,422	3.7%	56.0%	\$411,883,651	2.2%	55.2%	\$6,085,771	1.5%
Insurance Premium Tax (1 Quarter)	\$98,155,113	25.9%	25.6%	\$106,351,713	8.4%	26.9%	\$101,255,442	3.2%	25.6%	\$5,096,272	5.0%
Total Modified Business Tax (MBT) (1 Quarter)	\$157,216,539	18.3%	25.2%	\$151,079,712	-3.9%	23.6%	\$161,472,092	2.7%	25.2%	-\$10,392,380	-6.4%
MBT-Nonfinancial	\$144,910,812	19.4%	25.3%	\$139,519,957	-3.7%	23.7%	\$148,548,223	2.5%	25.3%	-\$9,028,266	-6.1%
MBT-Financial	\$6,812,652	5.8%	24.4%	\$6,613,760	-2.9%	22.2%	\$7,275,719	6.8%	24.4%	-\$661,959	-9.1%
MBT-Mining	\$5,493,075	6.7%	24.8%	\$4,945,995	-10.0%	21.7%	\$5,648,150	2.8%	24.8%	-\$702,155	-12.4%
Live Entertainment Tax (Gaming) (7 Months)	\$52,854,081	-16.7%	51.7%	\$51,667,286	-2.2%	48.4%	\$55,093,042	4.2%	51.7%	-\$3,425,756	-6.2%
Real Property Transfer Tax (1 Quarter)	\$20,632,701	6.3%	24.6%	\$26,993,523	30.8%	31.2%	\$21,289,079	3.2%	24.6%	\$5,704,444	26.8%
Commerce Tax	\$18,460,923	N/A	9.3%	\$9,353,060	-49.3%	5.0%	\$0	-100.0%	0.0%	\$9,353,060	
Total: Major General Fund Revenues	\$1,192,630,466	8.9%	37.1%	\$1,227,004,084	2.9%	37.0%	\$1,219,357,794	2.2%	36.8%	\$7,646,290	0.6%
Select Non-Major General Fund Revenues											
Transportation Connection Excise Tax (5 Months)	\$9,182,814	N/A	N/A	\$5,105,603	N/A	N/A	\$4,479,728	N/A	N/A	\$625,875	N/A
Live Entertainment Tax (Non-Gaming) (5 Months)	\$9,929,812	82.2%	36.8%	\$10,947,413	10.2%	41.9%	\$9,625,136	-3.1%	36.8%	\$1,322,277	13.7%
Cigarette Tax (5 Months)	\$73,183,481	57.7%	40.5%	\$69,085,467	-5.6%	40.0%	\$69,902,520	-4.5%	40.5%	-\$817,053	-1.2%
Governmental Services Tax (7 Months) [1.]	\$18,565,487	-40.3%	48.1%	\$9,664,643	-47.9%	49.9%	\$9,322,839	-49.8%	48.1%	\$341,804	3.7%
Business License Fee (7 Months)	\$57,310,767	4.5%	54.7%	\$59,949,426	4.6%	56.8%	\$57,693,720	0.7%	54.7%	\$2,255,706	3.9%
Liquor Tax (5 Months)	\$17,525,188	-5.3%	39.9%	\$18,002,961	2.7%	41.3%	\$17,413,131	-0.6%	39.9%	\$589,829	3.4%
Other Tobacco Tax (5 Months)	\$5,932,322	12.5%	40.4%	\$6,643,647	12.0%	44.0%	\$6,090,772	2.7%	40.4%	\$552,874	9.1%
SOS Commercial Filings (7 Months)	\$41,098,709	-1.2%	55.1%	\$42,477,652	3.4%	56.5%	\$41,381,531	0.7%	55.1%	\$1,096,121	2.6%
SOS Securities (7 Months)	\$24,586,427	0.5%	86.9%	\$25,502,644	3.7%	91.3%	\$24,255,057	-1.3%	86.9%	\$1,247,587	5.1%
Short-Term Car Rental Tax (1 Quarter)	\$15,534,943	10.5%	29.6%	\$16,682,762	7.4%	30.0%	\$16,457,553	5.9%	29.6%	\$225,208	1.4%
Total: Select Non-Major General Fund Revenues	\$272,849,950	12.9%	46.4%	\$264,062,217	-3.2%	47.2%	\$256,621,988	-5.9%	45.8%	\$7,440,228	2.9%
Total: All Other General Fund Revenues [2.]	\$68,793,217	0.2%	35.2%	\$83,171,499	20.9%	37.4%	\$75,176,403	9.3%	33.8%	\$7,995,096	10.6%
Total: General Fund Revenues - Before Tax Credits	\$1,534,273,633	9.1%	38.4%	\$1,574,237,800	2.6%	38.4%	\$1,551,156,185	1.1%	37.8%	\$23,081,615	1.5%
Commerce Tax Credits	-\$27,570,283			-\$39,936,561			-\$39,936,561			\$0	0.0%
Total: General Fund Revenues - After Commerce Tax Credits	\$1,506,703,350	7.2%	38.1%	\$1,534,301,239	1.8%	37.8%	\$1,511,219,624	0.3%	37.7%	\$23,081,615	1.5%

* Fiscal YTD as a % of Fiscal Year (Actual or Forecast) Total: Represents the fiscal year-to-date percentage for each revenue source compared to the fiscal year total for that revenue source.

[a.] The fiscal year-to-date amounts for the Major General Fund Revenues and Select Non-Major General Fund Revenues except for the Governmental Services Tax are based on the number of reporting periods identified in Table 2 as reported by the Department of Taxation, Gaming Control Board or Secretary of State, as applicable (before the application of tax credits). The fiscal year-to-date amounts for the Governmental Services Tax and All Other General Fund Revenues represent figures obtained from the State Controller's system through January 31, 2017 and January 31, 2018.

[b.] Due to the monthly and quarterly collection cycle of the individual State General Fund revenue sources, the actual fiscal year-to-date collections shown in Table 2 represents from 5 to 7 months for the monthly revenue sources and the first quarter of the quarterly revenue sources (before the application of tax credits). The second quarter of collections for the quarterly revenue sources will be reported by the Department of Taxation at the end of February and will be included in the General Fund Revenue Status Report published in March 2018.

[c.] FY 2018 actual year-to-date reflects amounts obtained from the State Controller's system or reported by the agency responsible for administering the revenue source and may be subject to revision.

TABLE 3
State General Fund Revenues: FY 2018 Remainder of Fiscal Year - Actual Compared to Forecast (BEFORE TAX CREDITS)
FY 2018 Remainder of Fiscal Year Equals Fiscal Year Forecast less Fiscal YTD Actual

Revenue Source (Number of Periods Remaining in Fiscal Year)	FY 2017 Actual Remainder of Fiscal Year			FY 2018 Forecast Remainder of Fiscal Year		
	Remainder of Fiscal Year Actual	Remainder of Fiscal Year Actual % Change	Remainder of Fiscal Year as a % of Fiscal Year Actual Total*	Remainder of Fiscal Year Forecast	Remainder of Fiscal Year Forecast % Change	Remainder of Fiscal Year as a % of Fiscal Year Forecast Total*
Major General Fund Revenues						
Sales and Use Tax (7 Months)	\$648,301,354	5.5%	59.4%	\$691,134,632	6.6%	59.9%
Percentage Fees Tax (5 Months)	\$327,579,375	2.1%	44.8%	\$328,783,578	0.4%	44.0%
Insurance Premium Tax (3 Quarters)	\$285,480,373	11.0%	74.4%	\$289,401,287	1.4%	73.1%
Total Modified Business Tax (MBT) (3 Quarters)	\$466,428,991	7.6%	74.8%	\$489,486,288	4.9%	76.4%
MBT-Nonfinancial	\$428,663,869	8.3%	74.7%	\$448,452,043	4.6%	76.3%
MBT-Financial	\$21,108,503	1.7%	75.6%	\$23,205,240	9.9%	77.8%
MBT-Mining	\$16,656,619	-0.8%	75.2%	\$17,829,005	7.0%	78.3%
Live Entertainment Tax (Gaming) (5 Months)	\$49,474,174	1.9%	48.3%	\$54,995,714	11.2%	51.6%
Real Property Transfer Tax (3 Quarters)	\$63,324,412	12.3%	75.4%	\$59,634,477	-5.8%	68.8%
Commerce Tax	\$179,366,285	25.0%	90.7%	\$176,692,940	-1.5%	95.0%
Total: Major General Fund Revenues	\$2,019,954,963	7.8%	62.9%	\$2,090,128,916	3.5%	63.0%
Select Non-Major General Fund Revenues						
Transportation Connection Excise Tax (7 Months)	\$13,918,244	N/A	N/A	\$13,742,397	N/A	N/A
Live Entertainment Tax (Non-Gaming) (7 Months)	\$17,047,945	53.8%	63.2%	\$15,202,587	-10.8%	58.1%
Cigarette Tax (7 Months)	\$107,493,633	0.8%	59.5%	\$103,491,533	-3.7%	60.0%
Governmental Services Tax (5 Months) [1.]	\$20,001,929	-43.9%	51.9%	\$9,702,357	-51.5%	50.1%
Business License Fee (5 Months)	\$47,547,564	-1.4%	45.3%	\$45,609,574	-4.1%	43.2%
Liquor Tax (7 Months)	\$26,343,308	3.5%	60.1%	\$25,585,039	-2.9%	58.7%
Other Tobacco Tax (7 Months)	\$8,761,218	11.5%	59.6%	\$8,442,353	-3.6%	56.0%
SOS Commercial Filings (5 Months)	\$33,507,883	4.4%	44.9%	\$32,642,348	-2.6%	43.5%
SOS Securities (5 Months)	\$3,718,054	5.8%	13.1%	\$2,420,356	-34.9%	8.7%
Short-Term Car Rental Tax (3 Quarters)	\$36,933,020	-2.4%	70.4%	\$38,901,238	5.3%	70.0%
Total: Select Non-Major General Fund Revenues	\$315,272,798	2.3%	53.6%	\$295,739,783	-6.2%	52.8%
Total: All Other General Fund Revenues [2.]	\$126,643,744	-124.3%	64.8%	\$139,162,397	9.9%	62.6%
Total General Fund Revenues - Before Tax Credits	\$2,461,871,505	48.2%	61.6%	\$2,525,031,096	2.6%	61.6%

* Remainder of Fiscal Year as a % of Fiscal Year (Actual or Forecast) Total: Represents the percentage for each revenue source that remains to be collected during each fiscal year compared to the fiscal year total for that revenue source.

TABLE 4
State General Fund Revenues: FY 2016 Actual and FY 2017 Forecast (AFTER TAX CREDITS ALLOCATED TO SPECIFIC REVENUES)
FY 2017 Forecast is the Economic Forum (EF) December 6, 2016 Forecast

Revenue Source	FY 2017 Actual		FY 2018 Forecast		Percent of Total General Fund	
	Fiscal Year Actual	FY Actual % Change	Fiscal Year Forecast	EF Mar 2017 FY Forecast % Change	FY 2017 Actual Percent of Total General Fund	FY 2018 Forecast Percent of Total General Fund
Major General Fund Revenues						
Sales and Use Tax	\$1,090,695,356	5.2%	\$1,154,724,000	5.9%	28.1%	29.2%
Percentage Fees Tax	\$688,423,243	1.8%	\$746,753,000	8.5%	17.7%	18.9%
Insurance Premium Tax	\$358,482,405	16.0%	\$371,753,000	3.7%	9.2%	9.4%
Total Modified Business Tax (MBT)	\$575,232,919	2.4%	\$525,615,000	-8.6%	14.8%	13.3%
Live Entertainment Tax (Gaming)	\$102,328,255	-8.6%	\$106,663,000	4.2%	2.6%	2.7%
Real Property Transfer Tax	\$83,957,113	10.8%	\$86,628,000	3.2%	2.2%	2.2%
Commerce Tax	\$197,827,208	N/A	\$186,046,000	-6.0%	5.1%	4.7%
Total: Major General Fund Revenues	\$3,096,946,498	12.1%	\$3,178,182,000	2.6%	79.8%	80.3%
Select Non-Major General Fund Revenues						
Transportation Connection Excise Tax	\$23,101,058	94.2%	\$18,848,000	-18.4%	0.6%	0.5%
Live Entertainment Tax (Non-Gaming)	\$26,977,758	63.1%	\$26,150,000	-3.1%	0.7%	0.7%
Cigarette Tax	\$180,677,113	18.1%	\$172,577,000	-4.5%	4.7%	4.4%
Governmental Services Tax [1.]	\$38,567,416	-42.2%	\$19,367,000	-49.8%	1.0%	0.5%
Business License Fee	\$104,858,331	1.8%	\$105,559,000	0.7%	2.7%	2.7%
Liquor Tax	\$43,868,496	-0.2%	\$43,588,000	-0.6%	1.1%	1.1%
Other Tobacco Tax	\$14,693,540	11.9%	\$15,086,000	2.7%	0.4%	0.4%
SOS Commercial Filings	\$74,606,592	1.2%	\$75,120,000	0.7%	1.9%	1.9%
SOS Securities	\$28,304,481	1.2%	\$27,923,000	-1.3%	0.7%	0.7%
Short-Term Car Rental Tax	\$52,467,963	1.1%	\$55,584,000	5.9%	1.4%	1.4%
Total: Select Non-Major General Fund Revenues	\$588,122,748	4.7%	\$559,802,000	-4.8%	15.2%	14.1%
Total: All Other General Fund Revenues [2.]	\$195,436,961	-10.0%	\$222,333,896	13.8%	5.0%	5.6%
Total: General Fund Revenues - After Tax Credits Allocated	\$3,880,506,207	5.1%	\$3,960,317,896	2.1%	100.0%	100.0%
Commerce Tax Credits						
Total: Tax Credit Programs (Amount Not Allocated)	\$0		-\$44,808,426		0.0%	-1.1%
Film Transferrable Tax Credits [TC-1]	\$0		-\$11,720,926		0.0%	-0.3%
Economic Development Transferrable Tax Credits [TC-2]	\$0		-\$31,087,500		0.0%	-0.8%
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		-\$2,000,000		0.0%	-0.1%
Nevada New Markets Job Act Tax Credits [TC-3]	\$0		\$0		0.0%	0.0%
Education Choice Scholarship Tax Credits [TC-5]	\$0		\$0		0.0%	0.0%
College Savings Plan Tax Credits [TC-6]	\$0		\$0		0.0%	0.0%
Total: General Fund Revenues - After Tax Credits	\$3,880,506,207	5.1%	\$3,915,509,470	0.9%	100.0%	98.9%

TABLE 5
State General Fund Revenues: FY 2017 - Actual Compared to Forecast (AFTER TAX CREDITS ALLOCATED TO SPECIFIC REVENUES) [a.] [b.]
FY 2018 Forecast Year-to-Date Based on the Economic Forum FY 2018 Forecast Percent Change from Table 4

Revenue Source (Number of Periods Reported Fiscal YTD)	FY 2017 Actual Year-to-Date			FY 2018 Actual Year-to-Date [c.]			FY 2018 Forecast Year-to-Date				
	Fiscal YTD Actual	Fiscal YTD Actual % Change	Fiscal YTD as a % of Fiscal Year Actual Total*	Fiscal YTD Actual	Fiscal YTD Actual % Change	Fiscal YTD as a % of Fiscal Year Forecast Total*	Fiscal YTD Forecast	Fiscal YTD Forecast % Change	Fiscal YTD as a % of Fiscal Year Forecast Total*	Dollar Difference: Actual less Forecast	Percent Difference Relative to Forecast
Major General Fund Revenues											
Sales and Use Tax (5 Months)	\$442,394,002	4.9%	42.7%	\$463,589,368	4.8%	40.1%	\$468,364,487	5.9%	40.6%	-\$4,775,119	-1.0%
Percentage Fees Tax (7 Months)	\$384,949,045	2.5%	56.9%	\$373,387,598	-3.0%	50.0%	\$367,301,827	-4.6%	49.2%	\$6,085,771	1.7%
Insurance Premium Tax (1 Quarter)	\$92,890,543	29.2%	30.1%	\$101,232,564	9.0%	27.2%	\$96,136,293	3.5%	25.9%	\$5,096,272	5.3%
Total Modified Business Tax (MBT) (1 Quarter)	\$127,886,875	-2.3%	22.8%	\$108,499,033	-15.2%	20.6%	\$118,891,414	-7.0%	22.6%	-\$10,392,380	-8.7%
MBT-Nonfinancial	\$116,491,064	-2.3%	22.7%	\$97,490,515	-16.3%	16.7%	\$106,518,781	-8.6%	18.2%	-\$9,028,266	-8.5%
MBT-Financial	\$6,375,472	-1.0%	23.4%	\$6,137,655	-3.7%	20.6%	\$6,799,614	6.7%	22.8%	-\$661,959	-9.7%
MBT-Mining	\$5,020,339	N/A	22.9%	\$4,870,863	-3.0%	21.4%	\$5,573,018	11.0%	24.5%	-\$702,155	-12.6%
Live Entertainment Tax (Gaming) (7 Months)	\$52,854,081	-16.7%	47.2%	\$51,667,286	-2.2%	48.4%	\$55,093,042	4.2%	51.7%	-\$3,425,756	-6.2%
Real Property Transfer Tax (1 Quarter)	\$20,632,701	6.3%	27.2%	\$26,993,523	30.8%	31.2%	\$21,289,079	3.2%	24.6%	\$5,704,444	26.8%
Commerce Tax	\$18,460,923	N/A	12.9%	\$9,353,060	-49.3%	5.0%	\$0	-100.0%	0.0%	\$9,353,060	
Total: Major General Fund Revenues	\$1,140,068,170	5.3%	39.1%	\$1,134,722,433	-0.5%	35.7%	\$1,127,076,143	-1.1%	35.5%	\$7,646,290	0.6%
Select Non-Major General Fund Revenues											
Transportation Connection Excise Tax (5 Months)	\$9,182,814	N/A	N/A	\$5,105,603	N/A	N/A	\$4,479,728	N/A	N/A	\$625,875	N/A
Live Entertainment Tax (Non-Gaming) (5 Months)	\$9,929,812	82.2%	60.0%	\$10,947,413	10.2%	41.9%	\$9,625,136	-3.1%	36.8%	\$1,322,277	13.7%
Cigarette Tax (5 Months)	\$73,183,481	57.7%	47.8%	\$69,085,467	-5.6%	40.0%	\$69,902,520	-4.5%	40.5%	-\$817,053	-1.2%
Governmental Services Tax (7 Months) [1.]	\$18,565,487	-40.3%	27.8%	\$9,664,643	-47.9%	49.9%	\$9,322,838	-49.8%	48.1%	\$341,804	3.7%
Business License Fee (7 Months)	\$57,310,767	4.5%	55.6%	\$59,949,426	4.6%	56.8%	\$57,693,720	0.7%	54.7%	\$2,255,706	3.9%
Liquor Tax (5 Months)	\$17,525,188	-5.3%	39.9%	\$18,002,961	2.7%	41.3%	\$17,413,131	-0.6%	39.9%	\$589,829	3.4%
Other Tobacco Tax (5 Months)	\$5,932,322	12.5%	45.2%	\$6,643,647	12.0%	44.0%	\$6,090,772	2.7%	40.4%	\$552,874	9.1%
SOS Commercial Filings (7 Months)	\$41,098,709	-1.2%	55.8%	\$42,477,652	3.4%	56.5%	\$41,381,531	0.7%	55.1%	\$1,096,121	2.6%
SOS Securities (7 Months)	\$24,586,427	0.5%	87.9%	\$25,502,644	3.7%	91.3%	\$24,255,057	-1.3%	86.9%	\$1,247,587	5.1%
Short-Term Car Rental Tax (1 Quarter)	\$15,534,943	10.5%	29.9%	\$16,682,762	7.4%	30.0%	\$16,457,553	5.9%	29.6%	\$225,208	1.4%
Total: Select Non-Major General Fund Revenues	\$272,849,950	12.9%	48.6%	\$264,062,217	-3.2%	47.2%	\$256,621,988	-5.9%	45.8%	\$7,440,228	2.9%
Total: All Other General Fund Revenues [2.]	\$68,793,217	0.2%	31.7%	\$83,171,499	20.9%	37.4%	\$75,176,403	9.3%	33.8%	\$7,995,096	10.6%
Total: General Fund Revenues - After Tax Credits Allocated	\$1,481,711,337	18.3%	40.1%	\$1,481,956,149	0.0%	37.4%	\$1,458,874,534	-1.5%	36.8%	\$23,081,615	1.6%

* Fiscal YTD as a % of Fiscal Year (Actual or Forecast) Total: Represents the fiscal year-to-date percentage for each revenue source compared to the fiscal year total for that revenue source.

[a.] The fiscal year-to-date amounts for the Major General Fund Revenues and Select Non-Major General Fund Revenues except for the Governmental Services Tax are based on the number of reporting periods identified in Table 5 as reported by the Department of Taxation, Gaming Control Board or Secretary of State, as applicable (after the application of tax credits). The fiscal year-to-date amounts for the Governmental Services Tax and All Other General Fund Revenues represent figures obtained from the State Controller's system through January 31, 2017 and January 31, 2018.

[b.] Due to the monthly and quarterly collection cycle of the individual State General Fund revenue sources, the actual fiscal year-to-date collections shown in Table 5 represents from 5 to 7 months for the monthly revenue sources and the first quarter of the quarterly revenue sources (before the application of tax credits). The second quarter of collections for the quarterly revenue sources will be reported by the Department of Taxation at the end of February and will be included in the General Fund Revenue Status Report published in March 2018.

[c.] FY 2018 actual year-to-date reflects amounts obtained from the State Controller's system or reported by the agency responsible for administering the revenue source and may be subject to revision.

TABLE 6
State General Fund Revenues: Tax Credit Programs
FY 2018 Actual Compared to Forecast for Each Revenue Source Impacted by Tax Credit Programs [a.]

DESCRIPTION	FY 2017 Actual		FY 2018 Forecast		FY 2017 Actual YTD		FY 2018 Actual YTD		FY 2018 Forecast YTD			
	Fiscal Year Actual	FY Actual % Change	Fiscal Year Forecast	FY Forecast % Change	Fiscal YTD Actual	Fiscal YTD Actual % Change	Fiscal YTD Actual	Fiscal YTD Actual % Change	Fiscal YTD Forecast	Fiscal YTD Forecast % Change	Dollar Difference: Actual less Forecast	Percent Difference: Relative to Forecast
MODIFIED BUSINESS TAX (MBT)												
MBT - NONFINANCIAL BUSINESSES (MBT-NFI)												
MBT - Nonfinancial: Before Tax Credits	\$573,574,680	10.9%	\$587,972,000	2.5%	\$144,910,812	19.4%	\$139,519,957	-3.7%	\$148,548,223	2.5%	-\$9,028,266	-6.1%
Commerce Tax Credits	-\$43,216,582	N/A	N/A	N/A	-\$26,660,367	N/A	-\$39,385,325	47.7%	-\$39,385,325	47.7%	N/A	N/A
MBT - Nonfinancial: After Commerce Tax Credits	\$530,358,099	2.6%	\$587,972,000	10.9%	\$118,250,445	-2.6%	\$100,134,631	-15.3%	\$109,162,898	-7.7%	-\$9,028,266	-8.3%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		N/A		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		N/A		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		N/A		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	-\$4,646,956		N/A		-\$1,759,381		-\$2,644,117		-\$2,644,117		\$0	
College Savings Plan Tax Credits [TC-6]	N/A		N/A		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	-\$4,646,956		N/A		-\$1,759,381		-\$2,644,117		-\$2,644,117		\$0	
MBT - Nonfinancial: After Tax Credit Programs	\$525,711,142	2.5%	\$587,972,000	11.8%	\$116,491,064	-2.3%	\$97,490,515	-16.3%	\$106,518,781	-8.6%	-\$9,028,266	-8.5%
MBT - FINANCIAL BUSINESSES (MBT-FI)												
MBT - Financial: Before Tax Credits	\$27,921,155	2.7%	\$29,819,000	6.8%	\$6,812,652	5.8%	\$6,613,760	-2.9%	\$7,275,719	6.8%	-\$661,959	-9.1%
Commerce Tax Credits	-\$453,095	N/A	N/A	N/A	-\$437,180	N/A	-\$476,105	8.9%	-\$476,105	8.9%	N/A	N/A
MBT - Financial: After Commerce Tax Credits	\$27,468,060	1.0%	\$29,819,000	8.6%	\$6,375,472	-1.0%	\$6,137,655	-3.7%	\$6,799,614	6.7%	-\$661,959	-9.7%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		N/A		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		N/A		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		N/A		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	-\$50,000		N/A		\$0		\$0		\$0		\$0	
College Savings Plan Tax Credits [TC-6]	\$0		N/A		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	-\$50,000		N/A		\$0		\$0		\$0		\$0	
MBT - Financial: After Tax Credit Programs	\$27,418,060	0.8%	\$29,819,000	8.8%	\$6,375,472	-1.0%	\$6,137,655	-3.7%	\$6,799,614	6.7%	-\$661,959	-9.7%
MBT - MINING BUSINESSES (MBT-MINING)												
MBT - Mining: Before Tax Credits	\$22,149,694	1.0%	\$22,775,000	2.8%	\$5,493,075	6.7%	\$4,945,995	-10.0%	\$5,648,150	2.8%	-\$702,155	-12.4%
Commerce Tax Credits	-\$45,977	N/A	N/A	N/A	-\$472,737	N/A	-\$75,131	-84.1%	-\$75,131	-84.1%	N/A	N/A
MBT - Mining: After Commerce Tax Credits	\$22,103,717	0.8%	\$22,775,000	3.0%	\$5,020,339	-2.5%	\$4,870,863	-3.0%	\$5,573,018	11.0%	-\$702,155	-12.6%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		N/A		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		N/A		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		N/A		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	\$0		N/A		\$0		\$0		\$0		\$0	
College Savings Plan Tax Credits [TC-6]	\$0		N/A		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	\$0		N/A		\$0		\$0		\$0		\$0	
MBT - Mining: After Tax Credit Programs	\$22,103,717	0.8%	\$22,775,000	3.0%	\$5,020,339	-2.5%	\$4,870,863	-3.0%	\$5,573,018	11.0%	-\$702,155	-12.6%
TOTAL MBT - NFI, FI, & MINING												
TOTAL MBT: BEFORE TAX CREDITS	\$623,645,530	10.1%	\$640,566,000	2.7%	\$157,216,539	18.3%	\$151,079,712	-3.9%	\$161,472,092	2.7%	-\$10,392,380	-6.4%
TOTAL COMMERCE TAX CREDITS	-\$43,715,654	N/A	-\$88,763,000	103.0%	-\$27,570,283	N/A	-\$39,936,561	44.9%	-\$39,936,561	44.9%	N/A	N/A
TOTAL MBT: AFTER COMMERCE TAX CREDITS	\$579,929,875	2.4%	\$551,803,000	-4.9%	\$129,646,256	-2.5%	\$111,143,150	-14.3%	\$121,535,531	-6.3%	-\$10,392,380	-8.6%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	-\$4,696,956		-\$26,050,000		-\$1,759,381		-\$2,644,117		-\$2,644,117		\$0	
College Savings Plan Tax Credits [TC-6]	\$0		-\$138,000		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	-\$4,696,956		-\$26,188,000		-\$1,759,381		-\$2,644,117		-\$2,644,117		\$0	
TOTAL MBT: AFTER TAX CREDIT PROGRAMS	\$575,232,919	2.4%	\$525,615,000	-8.6%	\$127,886,875	-2.3%	\$108,499,033	-15.2%	\$118,891,414	-7.0%	-\$10,392,380	-8.7%

TABLE 6
State General Fund Revenues: Tax Credit Programs
FY 2018 Actual Compared to Forecast for Each Revenue Source Impacted by Tax Credit Programs [a.]

DESCRIPTION	FY 2017 Actual		FY 2018 Forecast		FY 2017 Actual YTD		FY 2018 Actual YTD		FY 2018 Forecast YTD			
	Fiscal Year Actual	FY Actual % Change	Fiscal Year Forecast	FY Forecast % Change	Fiscal YTD Actual	Fiscal YTD Actual % Change	Fiscal YTD Actual	Fiscal YTD Actual % Change	Fiscal YTD Forecast	Fiscal YTD Forecast % Change	Dollar Difference: Actual less Forecast	Percent Difference Relative to Forecast
Percent Fees - Gross Revenue: <u>Before Tax Credits</u>	\$730,496,482	4.2%	\$746,753,000	2.2%	\$402,917,107	6.0%	\$417,969,422	3.7%	\$411,883,651	2.2%	\$6,085,771	1.5%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	-\$5,222,720		\$0		-\$3,908,259		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	-\$36,850,519		\$0		-\$14,059,803		-\$44,326,824		-\$44,326,824		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		-\$255,000		-\$255,000		\$0	
Total - Tax Credit Programs	-\$42,073,239		\$0		-\$17,968,062		-\$44,581,824		-\$44,581,824		\$0	
Percent Fees - Gross Revenue: <u>After Tax Credits</u>	\$688,423,243	1.8%	\$746,753,000	8.5%	\$384,949,045	2.5%	\$373,387,598	-3.0%	\$367,301,827	-4.6%	\$6,085,771	1.7%
Insurance Premium Tax: <u>Before Tax Credits</u>	\$383,635,486	14.5%	\$395,753,000	3.2%	\$98,155,113	25.9%	\$106,351,713	8.4%	\$101,255,442	3.2%	\$5,096,272	5.0%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Nevada New Markets Job Act Tax Credits [TC-3]	-\$25,153,081		-\$24,000,000		-\$5,264,570		-\$5,119,149		-\$5,119,149		\$0	
Total - Tax Credit Programs	-\$25,153,081		-\$24,000,000		-\$5,264,570		-\$5,119,149		-\$5,119,149		\$0	
Insurance Premium Tax: <u>After Tax Credit Programs</u>	\$358,482,405	16.0%	\$371,753,000	3.7%	\$92,890,543	29.2%	\$101,232,564	9.0%	\$96,136,293	3.5%	\$5,096,272	5.3%

TRACKING OF FY 2018 TAX CREDIT PROGRAMS ONLY
FY 2018 Year-to-Date Actual and Forecast
(Tax Credits Used)

				FY 2018 Actual YTD	FY 2018 Forecast YTD	Dollar Difference: Actual less Forecast	Percent Difference Relative to Forecast
Tax Credit Programs:							
Film Transferrable Tax Credits [TC-1]				\$0	\$0	\$0	
Economic Development Transferrable Tax Credits [TC-2]				-\$44,326,824	-\$44,326,824	\$0	
Catalyst Account Transferrable Tax Credits [TC-4]				-\$255,000	-\$255,000	\$0	
Nevada New Markets Job Act Tax Credits [TC-3]				-\$5,119,149	-\$5,119,149	\$0	
Education Choice Scholarship Tax Credits [TC-5]				-\$2,644,117	-\$2,644,117	\$0	
College Savings Plan Tax Credits [TC-6]				\$0	\$0	\$0	
Total - Tax Credit Programs Fiscal Year-to-Date				-\$52,345,090	-\$52,345,090	\$0	0.0%

TRACKING OF FY 2018 TAX CREDIT PROGRAMS ONLY
FY 2018 Forecast Compared to Actual Year-to-Date
(Tax Credits Remaining to be Used)

		FY 2018 Forecast		FY 2018 Actual YTD		FY 2018 Tax Credits Remaining to be Used	Percent of FY 2018 Forecast
Tax Credit Programs:							
Film Transferrable Tax Credits [TC-1]		-\$11,720,926		\$0		-\$11,720,926	100.0%
Economic Development Transferrable Tax Credits [TC-2]		-\$31,087,500		-\$44,326,824		\$13,239,324	-42.6%
Catalyst Account Transferrable Tax Credits [TC-4]		-\$2,000,000		-\$255,000		-\$1,745,000	87.3%
Nevada New Markets Job Act Tax Credits [TC-3]		-\$24,000,000		-\$5,119,149		-\$18,880,851	78.7%
Education Choice Scholarship Tax Credits [TC-5]		-\$26,050,000		-\$2,644,117		-\$23,405,883	89.8%
College Savings Plan Tax Credits [TC-6]		-\$138,000		\$0		-\$138,000	100.0%
Total - Tax Credit Programs		-\$94,996,426		-\$52,345,090		-\$42,651,336	44.9%

[a.] FY 2018 actual year-to-date reflects amounts obtained from the State Controller's system or reported by the agency responsible for administering the revenue source and may be subject to revision.

Notes:

The Economic Forum's forecast shown in Tables 1 through 6 reflect the forecast approved at the May 1, 2017, meeting based on the following measures approved by the 2017 Legislature (79th Session):

[1.] Governmental Services Tax: A.B. 486 requires 25% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund in FY 2018 and FY 2019, with the remaining 75% deposited in the State Highway Fund. Under A.B. 486, 100% of the additional revenue generated from the GST 10% depreciation schedule change is required to be deposited in the State Highway Fund beginning in FY 2020 and going forward permanently. Estimated to generate \$19,367,000 in FY 2018 and \$19,573,500 in FY 2019.

[2.] Total All Other General Fund Revenues: Includes all General Fund revenue sources not specifically listed under Major General Fund Revenues and Select Non-Major General Fund Revenues that were authorized in statute to be collected in FY 2018 or FY 2019.

[2.1] S.B. 512 removes fees for the issuance of certain permits relating to the usage of piers, docks, buoys, or other facilities on navigable bodies of water in this state from NRS 322.120, and instead requires that the State Land Registrar of the Division of State Lands of the Department of Conservation and Natural Resources establish these fees by regulation, effective July 1, 2017. The bill requires that the first \$65,000 of the proceeds from these permit fees be deposited in the State General Fund in each fiscal year, with any proceeds in excess of \$65,000 to be used by the State Land Registrar to carry out programs to preserve, protect, restore, and enhance the natural environment of the Lake Tahoe Basin.

[2.2] S.B. 514 requires that certain fees collected by the State Engineer of the Division of Water Resources of the Department of Conservation and Natural Resources relating to services for the adjudication and appropriation of water be deposited in the State General Fund. Estimated to generate \$3,467,000 per year in FY 2018 and FY 2019.

[2.3] S.B. 515 requires that certain penalties received by the Securities Division of the Secretary of State's Office be deposited in the State General Fund, instead of the Secretary of State's Office's operating budget, effective July 1, 2017. Estimated to generate \$117,256 per fiscal year in FY 2018 and FY 2019.

[2.4] Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2018 and FY 2019. Estimated to generate \$1,328,228 in FY 2018 and \$1,080,780 in FY 2019.

[2.5] Adjustment to the Statewide Cost Allocation amount included in the Legislature Approves budget after the May 1, 2017, approval of the General Fund revenue forecast by the Economic Forum.

TAX CREDIT PROGRAMS APPROVED BY THE LEGISLATURE

[TC-1] Pursuant to S.B. 165 (2013), the Governor's Office of Economic Development (GOED) could issue up to \$20 million per fiscal year for a total of \$80 million for the four-year pilot program in transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. The provisions of the film tax credit program were amended in S.B. 1 (28th Special Session (2014)) to reduce the total amount of the tax credits that may be approved by GOED to a total of \$10 million. The amounts shown reflect estimates based on information provided by GOED during the 2017 Session on the amount of tax credits that have been or will be approved for use in FY 2017 and FY 2018.

Pursuant to A.B. 492 (2017), a total of \$10 million per year in film tax credits may be awarded by GOED beginning in FY 2018, in addition to any remaining amounts from S.B. 1 of the 28th Special Session (2014). Any portion of the \$10 million per fiscal year that is not approved by GOED may be carried forward and made available during the next or any future fiscal year.

[TC-2] Pursuant to S.B. 1 (28th Special Session (2014)), for certain qualifying projects, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to \$12,500 for each qualified employee employed by the participants in the project, to a maximum of 6,000 employees, plus 5 percent of the first \$1 billion of new capital investment in the State made collectively by the participants in the qualifying project, plus an additional 2.8 percent of the next \$2.5 billion in new capital investment in the State made collectively by the participants in the project. The amount of credits approved by GOED may not exceed \$45 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of \$195 million. The forecast is \$36,475,946 for FY 2017, \$31,087,500 for FY 2018, and \$44,600,000 for FY 2019 based on information provided by GOED to the Economic Forum for consideration at their May 1, 2017, meeting.

Pursuant to S.B. 1 (29th Special Session (2015)), for certain qualifying projects, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to \$9,500 for each qualified employee employed by the participants in the project, to a maximum of 4,000 employees. The amount of credits approved by GOED may not exceed \$7.6 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of \$38 million. The forecast for tax credits attributable to the Faraday Project are \$0 for FY 2018 and FY 2019 based on information provided by GOED to the Economic Forum for consideration at their May 1, 2017, meeting.

[TC-3] Pursuant to S.B. 357 (2013), the Nevada New Markets Jobs Act allows insurance companies to receive a credit against the tax imposed on insurance premiums in exchange for making qualified equity investments in community development entities, particularly those that are local and minority-owned. A total of \$200 million in qualified equity investments may be certified by the Department of Business and Industry. In exchange for making the qualified equity investment, insurance companies are entitled to receive a credit against the Insurance Premium Tax in an amount equal to 58 percent of the total qualified equity investment that is certified by the Department. The credits may be taken in increments beginning on the second anniversary date of the original investment, as follows:

2 years after the investment is made: 12 percent of the qualified investment

3 years after the investment is made: 12 percent of the qualified investment

4 years after the investment is made: 12 percent of the qualified investment

5 years after the investment is made: 11 percent of the qualified investment

6 years after the investment is made: 11 percent of the qualified investment

Under the provisions of S.B. 357, the insurance companies were allowed to begin taking tax credits in the third quarter of FY 2015. The amounts shown reflect estimates of the amount of tax credits that will be taken during FY 2018 based on information provided by the Department of Taxation to the Economic Forum for consideration at their May 1, 2017, meeting.

[TC-4] S.B. 507 (2015) authorizes the Governor's Office of Economic Development (GOED) to approve transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax to new or expanding businesses to promote the economic development of Nevada. As approved in S.B. 507, the total amount of transferrable tax credits that may be issued is \$500,000 in FY 2016, \$2,000,000 in FY 2017, and \$5,000,000 for FY 2018 and each fiscal year thereafter. The amounts shown are the estimate based on the maximum amount that can be issued in each fiscal year.

A.B. 1 of the 29th Special Session (2015) reduced the total amount of transferrable tax credits that may be issued by GOED to zero in FY 2016, \$1 million in FY 2017, \$2 million per year in FY 2018 and FY 2019, and \$3 million in FY 2020. For FY 2021 and future fiscal years, the amount of credits that may be issued by GOED remains at \$5 million per year.

[TC-5] A.B. 165 (2015) allows taxpayers who make donations of money to certain scholarship organizations to receive a dollar-for-dollar credit against the taxpayer's liability for the Modified Business Tax (MBT). The total amount of credits that may be approved by the Department of Taxation (Department) is \$5 million in FY 2016, \$5.5 million in FY 2017, and 110 percent of the total amount of credits authorized in the previous year, for all subsequent fiscal years. The amounts shown reflect the estimate based on the assumption that the total amount authorized for each fiscal year will be donated to a qualified scholarship organization and taken as credits against the MBT.

S.B. 555 (2017) authorized an additional \$20 million in credits against the MBT under this program in Fiscal Year 2018 beyond those that were authorized in FY 2018 based on the provisions of A.B. 165 (2015). Any amount of the \$20 million in credits that is not approved by the Department may be issued in future fiscal years.

[TC-6] S.B. 412 (2015) provides a tax credit against the Modified Business Tax (MBT) to certain employers who match the contribution of an employee to one of the college savings plans offered through the Nevada Higher Education Prepaid Tuition Program and the Nevada College Savings Program authorized under existing law. The amount of the tax credit is equal to 25 percent of the matching contribution, not to exceed \$500 per contributing employee per year, and any unused credits may be carried forward for 5 years. The provisions relating to the Nevada College Savings Program are effective January 1, 2016, and the Higher Education Prepaid Tuition Program are effective July 1, 2016. The amounts shown are estimates based on information provided by the Treasurer's Office on enrollment and contributions for the college savings plans.