STATE OF NEVADA

ECONOMIC FORUM

FORECAST OF FUTURE

STATE REVENUES

December 3, 2020

THE STATE OF NEVADA ECONOMIC FORUM

December 3, 2020

The Honorable Steve Sisolak
Governor of Nevada
Capitol Building
Carson City, Nevada 89701-4747

Dear Governor Sisolak:

Enclosed is the Economic Forum's report on future state revenues prepared pursuant to *Nevada Revised Statutes* 353.228. This report includes a description of the purpose of the Economic Forum, the methodology employed in arriving at the estimated General Fund revenues, economic assumptions and the final revenue projections. As required by statute, the Economic Forum plans to revisit these projections on or before May 1, 2021, to determine if any adjustment is necessary.

Note that the attached forecast and report were approved on December 3, 2020, in accordance with the provisions of NRS 353.228; however, because the meeting was held virtually in compliance with Sections 2 through 9, inclusive, of Chapter 2, *Statutes of Nevada 2020*, 32nd Special Session, pages 9 through 11, no signatures were obtained.

Respectfully submitted,

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Craig Billings, Chair
State of Nevada Economic Forum

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Linda Rosenthal, Vice Chair

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Marvin Leavitt

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Jennifer Lewis

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Frank Streshley

Enclosure

THE STATE OF NEVADA ECONOMIC FORUM

Craig Billings, Chair
Linda Rosenthal, Vice Chair
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December 3, 2020

Members of the 81st Legislature
Legislative Building
Capitol Complex
Carson City, Nevada 89701-4747

Dear Nevada Legislator:

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REPORT TO THE GOVERNOR
AND THE LEGISLATURE ON
FUTURE STATE REVENUES

December 3, 2020

Senate Bill (S.B.) 23 (1993) provided for the creation of an Economic Forum to forecast State General Fund revenues. The Forum, a panel of five representatives from the private sector with backgrounds in economics, business, and taxation, is required to adopt an official forecast of unrestricted General Fund revenues for the biennial budget cycle. A seven-member Technical Advisory Committee made up of Executive and Legislative Branch staff members as well as a representative of local government was also created in S.B. 23 to provide assistance and resources to the Forum.

The Forum must submit its forecast to the Governor and the Legislature by December 3 of each even-numbered year, and any revisions by May 1 of each odd-numbered year; however, if either of these dates falls on a weekend or a holiday, the Forum must submit its forecast no later than the second business day following these dates. The Governor must use the December forecast in developing The Executive Budget submitted to the Legislature, and the Legislature uses the May forecast in developing the legislatively approved General Fund budget during session.

This report includes the December 3, 2020, forecast of unrestricted General Fund revenues for Fiscal Years 2021, 2022, and 2023.

Methodology and Procedures

Based on the provisions of Assembly Bill 332 (2011), the Forum is required to hold two additional informational meetings during each biennium to consider current economic indicators and update the status of actual General Fund revenues compared to the most recent revenue estimates made by the Forum. These two informational meetings of the Forum were held on December 10, 2019, and June 10, 2020. These interim meetings allowed the Forum to receive regular updates on current economic conditions and the outlook for the state's economy while also tracking the actual FY 2019 and FY 2020 revenues against the Forum's May 2019 forecast. During these meetings, the Forum reviewed various economic indicators and received a series of presentations from Legislative Counsel Bureau staff and several Executive Branch agencies, including the Department of Taxation; Department of Employment, Training and Rehabilitation; and the Gaming Control Board.

Governor Sisolak appointed the five members of the Economic Forum in 2020 for a two-year term. These appointments include two members nominated by the leadership of the Senate and Assembly. The Forum has since held public meetings three times on October 15, 2020, November 10, 2020, and December 3, 2020, to complete its assigned responsibilities and duties regarding the approval of forecasts of unrestricted General Fund revenues for Fiscal Years 2021, 2022, and 2023.

The first meeting of the Forum on October 15, 2020, was devoted to organizing and reviewing the assigned tasks; reviewing the accuracy of forecasts prepared in December 2018 and May 2019; and determining a course of action for future meetings. The Forum also reviewed historical taxable sales and gaming market statistics and received presentations relating to the effect of the COVID-19 pandemic on Nevada relating to federal coronavirus relief money, the real estate market, economic development, the tourist and convention/trade show market, and the state's insurance markets.

During the November 10, 2020, meeting, the Forum received presentations on the outlook for the national, state, and local economies. Daniel White, Economist, Moody's Analytics (an economic consulting firm under contract with the state), provided a national, regional and Nevada economic outlook; and David Schmidt, Chief Economist, Nevada Department of Employment, Training and Rehabilitation, provided an update to Nevada's employment and unemployment outlook. The Forum additionally received presentations and outlooks from representatives of Nevada's retail, real estate, and gaming industries.

At the meeting of the Forum on November 10, 2020, the Budget Division of the Governor's Office of Finance (Budget Division) and the Fiscal Analysis Division of the Legislative Counsel Bureau (Fiscal Analysis Division) provided preliminary projections and economic analysis for seven major General Fund revenues. The Department of Taxation and the Gaming Control Board also provided projections and analysis concerning the major revenues for which they are responsible to collect. In addition to the state agency information, the Forum received forecasts of gaming percentage fees and sales taxes from Moody's Analytics. The Forum also received forecasts of all non-major General Fund revenues developed by the Technical Advisory Committee for the Forum's review and consideration.

The Economic Forum reviewed the forecast information and requested that any updated forecasts and information be provided at the meeting on December 3, 2020. At that time, the Forum directed the Technical Advisory Committee to prepare forecasts for non-major revenues based on projections by individual state agencies, the Budget Division, and the Fiscal Analysis Division.

At the December 3, 2020, meeting, the Forum received revised forecasts and economic analysis from the Budget Division, Fiscal Analysis Division, Department of Taxation, Gaming Control Board, Moody's Analytics, and the Technical Advisory Committee, which were used to produce the binding forecast of all unrestricted General Fund revenue. A copy of the Economic Forum's official December 3, 2020, forecast is provided in the attached table. A final meeting of the Forum will be scheduled during the 81st Legislative Session, on or before May 1, 2021, to make any necessary revisions to the December 3, 2020, forecast.

Economic Review

By December 2019, the U.S. economy had its 126th straight month of expansion following the end of the Great Recession in June 2009, which had shattered the previous record for longest expansion of the U.S. economy by six months. At the end of the same month, health officials in Wuhan, Hubei Province, China were reporting a cluster of pneumonia cases caused by a novel coronavirus. The first known case of this virus outside of China was confirmed in Thailand on January 13, 2020, and by the end of January, confirmed cases had been detected around the world, including in the United Kingdom, Canada, and the United States.

By the end of March, more than 100,000 confirmed cases of this novel coronavirus – now referred to as COVID-19 – had been reported in the United States. The U.S. State Department had begun to advise citizens to avoid international travel, and international travel to or from certain countries had already begun being restricted. Furthermore, state and local governments across the country – including the state of Nevada – had begun "stay-at-home" quarantines and other restrictions within their jurisdictions in order to limit proximate contact between individuals in a bid to slow the spread of the virus.

Although states began reopening their economies by the end of the spring, the virus continued to spread, with more than 2 million cases reported in the U.S. by mid-June, 5 million cases by early August, and 7 million cases by the last week of September. During that last week of September, the U.S. also passed 200,000 deaths related to the virus.

By the time of the presidential election on November 3, 2020, nearly 10 million cases of COVID-19 had been confirmed in the U.S, with more than 100,000 new cases confirmed per day at that point. This pace would only continue into November, with the 11 millionth case being recorded on November 15. And by that point, the expansion in the U.S. economy was long over – the National Bureau of Economic Research had announced several months prior that the prior economic expansion had ended in

February, scarcely two months after the announcement of the pneumonia cluster in Wuhan.

In Nevada, Governor Sisolak declared a state of emergency relating to the growing pandemic on March 12, 2020, activating the state's Emergency Operations Center and establishing a team to coordinate the response to COVID-19. By March 18, the Governor had ordered all gaming establishments to cease operations; by March 20, all non-essential businesses had been ordered to close; and by March 31, Nevadans were being ordered to stay in their residences unless it was necessary to leave to receive or provide essential services or engage in certain outdoor activities.

On May 7, Governor Sisolak announced that the state had met the criteria necessary to move into Phase 1 of the state's reopening plan beginning on Saturday, May 9. Though Nevadans were still encouraged to stay at home as much as possible and wear masks when in public, certain businesses and activities previously deemed to be non-essential, such as barber shops and hair salons, dine-in service in restaurants, and in-store sales in cannabis dispensaries were allowed again with specific restrictions. Retail businesses, for example, were allowed to operate at no more than 50% of the establishment's allowed occupancy under Phase 1.

On May 29, it was announced that the state would move into Phase 2 of the state's reopening plan, which allowed the Gaming Control Board to implement plans to safely reopen casinos beginning on June 4. This phase also allowed for the opening of bars that do not serve food, gyms and other fitness facilities; salons that provide aesthetic skin services; movie theaters; bowling alleys; and certain other businesses that were previously closed under Phase 1 at a 50% capacity limit. Additionally, Phase 2 allowed for certain social gatherings, such as church services, weddings, and funerals, to occur with specific capacity limits and other restrictions, and live entertainment events, such as sporting events and concerts, could also be held without spectators, subject to approval by the Gaming Control Board, the Nevada State Athletic Commission, or the Department of Business and Industry, as applicable.

On July 8, the Legislature was called into the first of two special sessions that would be held over the summer to deal with the effects of the pandemic. During the 31st Special Session (the first of the two special sessions), in addition to actions taken to cut state government budgets, the Legislature approved several measures that would provide an additional $147.1 million in revenue for the State General Fund in FY 2021, including requiring that certain Governmental Services Tax revenue dedicated to the State Highway Fund instead be deposited in the State General Fund, requiring an advance payment of Net Proceeds of Minerals Tax for calendar year 2021 to be paid in FY 2021, and requiring the Department of Taxation to run a tax amnesty program for a 90-day period in FY 2021 to allow persons with unpaid tax liabilities to pay those liabilities to the state with no penalties or interest assessed.

In response to the growing number of COVID-19 cases both nationally and in the state of Nevada, Governor Sisolak, on November 23, chose yet again to restrict certain activities, requiring capacity limits of 25% in casinos, restaurants, gyms, convention and trade shows, entertainment venues, and other areas. Though this action did not go so far as to fully shut down businesses that previously were allowed to open under Phases 1 and 2, the capacity limits required under Governor Sisolak's action provide further uncertainty for the state's economy heading into the holiday season.

In the U.S., GDP growth had been fairly stable at the beginning of the last half of the decade – 1.7% growth in 2016 and 2.3% growth in 2017 – with further growth of 3.0% in 2018, due in large part to the 2017 federal tax cuts and increased federal spending as a result of the 2018 budget agreement. However, towards the end of 2018 and going into 2019, analysts and pundits were starting to believe that the continued growth in the economy – at more than ten years of expansion following the Great Recession – would eventually end at some point in the near term.

The effects of tariffs imposed by the Trump administration beginning in 2017 – and the retaliation with which said tariffs were met by other nations, particularly China – had the effect of slowing exports and creating uncertainty among businesses who were now more reluctant to invest in their own businesses. Additionally, the government shutdown of 2018-19 temporarily reduced demand, adding to the uncertainty and reducing spending in certain sectors in 2019.

Despite these actions, though, 2019 was yet another year of growth in the economy, with real GDP increasing by 2.2% in 2019. Similarly, personal income – which had grown in 2017 and 2018 by 4.9% and 5.3%, respectively – also was growing, albeit at a lower rate of 3.9%.

Due to historically low unemployment rates – the national unemployment rate reached a post-recession low of 3.5% in November 2019 and held at that rate through the end of the year – the wage component of personal income maintained strength in 2019, growing by 4.7% after growing by 4.7% and 5.0% in 2017 and 2018, respectively. Additionally, after several years of trending below 63.0%, the civilian labor force participation rate began to climb again towards the end of 2019, registering at or above 63.0% for each of the last six months of 2019.

TABLE 1. ANNUAL GROWTH IN ECONOMIC INDICATORS
CALENDAR YEARS 2014-2019

	2014	2015	2016	2017	2018	2019
U.S.						
Gross Domestic Product	4.4%	4.1%	2.8%	4.3%	5.5%	4.0%
Real GDP	2.5%	3.1%	1.7%	2.3%	3.0%	2.2%
Employment (Total Nonfarm)	1.9%	2.1%	1.8%	1.6%	1.6%	1.4%
Personal Income	5.7%	4.9%	2.8%	4.9%	5.3%	3.9%
Wage Growth	5.1%	5.1%	2.9%	4.7%	5.0%	4.7%
Consumer Price Inflation	1.6%	0.1%	1.3%	2.1%	2.4%	1.8%
Fuels & Utilities	4.2%	-1.9%	-0.5%	3.7%	1.8%	0.4%
Housing Starts	7.8%	10.6%	6.3%	2.6%	3.4%	3.8%
Oil ($ per barrel)	$93	$49	$43	$51	$65	$57
Nevada						
Gross Domestic Product	2.9%	6.7%	4.7%	5.5%	6.7%	5.3%
Real GDP	0.8%	4.2%	2.8%	3.6%	4.2%	2.7%
Employment (Total Nonfarm)	3.5%	3.5%	3.2%	3.2%	3.2%	2.5%
Personal Income	7.2%	8.6%	4.1%	7.0%	7.0%	4.1%
Wage Growth	5.1%	5.8%	5.5%	5.4%	7.1%	5.2%
Housing Starts	19.7%	8.3%	20.3%	9.7%	-2.0%	4.2%
Las Vegas Visitors	3.7%	2.9%	1.5%	-1.7%		

Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Census Bureau, Nevada Department of Employment, Training and Rehabilitation, Las Vegas Convention and Visitors Authority

To stimulate the economy during and after the Great Recession, the Federal Reserve engaged in several rounds of quantitative easing, purchasing more than $4 trillion in bonds and other securities between 2008 and 2014. Subsequent to these actions, the Federal Reserve's Open Markets Committee raised the federal funds rate – the rate at which banks may borrow money from the Federal Reserve – a total of nine times between December 2015 and December 2018. These actions would hold the inflation rate relatively stable through the last half of the decade – the Consumer Price Index, after increasing by only 1.3% in 2016, increased by 2.1% in 2017, by 2.4% in 2018, and by 1.8% in 2019.

Total nationwide employment, which passed the pre-recession peak of 138.4 million jobs by May of 2014, continued a slow but steady increase into the latter half of the decade, passing 140 million jobs by November 2015 and reaching 150 million jobs by January of 2019. The 10 million jobs added in that period of just over three years was reflected in annual growth of 1.8% in 2016, or an average of 210,000 jobs added per month, and 1.6% per year in 2017 and 2018, or an average of 188,000 jobs and 192,000 jobs added per month in 2017 and 2018, respectively. By 2019, this growth in employment was slowing even further, with only 1.9% growth, or an average of 170,000 new jobs per month, for that calendar year.

Similarly, wage growth was steady in the U.S. in the latter half of the last decade, with growth in wages of 4.7% in 2017, 5.0% in 2018, and 4.7% in 2019 due in large part to unemployment rates falling to their lowest point in the last 50 years. Personal incomes also experienced steady growth during that period, increasing by 4.9% in 2017 and 5.3% in 2018, but only increasing by 3.9% in 2019. Transfer payments, which had grown by at least 7.0% per year in both 2014 and 2015 due to Medicaid expansion and health insurance subsidies resulting from the rollout of the Affordable Care Act, grew by only 0.8% in 2016, but began tracking closer to total personal income growth in subsequent years, increasing by 4.6% in 2017, 5.1% in 2018, and 3.7% in 2019.

The steady growth in the economy seen nationwide during the last several years of the decade could also be seen in Nevada during that period. Total employment, for example, increased in the state by 3.2% in 2017 and 2018, but increased by only 2.5% in 2019. Wages during this period also increased in Nevada, with growth of 5.4% in 2017, 7.1% in 2018, and 6.2% in 2019.

While much of the economy fared well during this period, the tourist industry in Southern Nevada did not see similar results. As reported by the Las Vegas Convention and Visitors Authority, there were 42.9 million visitors to Las Vegas in 2016, but in 2017, this total had fallen to 42.2 million due in large part to the negative effects of the October 1, 2017, shooting on the Las Vegas Strip. The negative effects would be felt in 2018, with a decrease in visitors that year to 42.1 million; however, by 2019, the number of tourists would rise to 42.5 million – below the record-high level in 2015, but well above the two previous years since that record was set.

<u>Housing</u>

For the last half of the last decade, single-family home sales in the U.S. remained fairly stable, with the decade ending at approximately 4,750,000 existing single-family units selling in the U.S. in 2019. It appeared that, going into 2020, the growth in single-family sales would continue, with year-over-year sales increasing by 5.7% in the first quarter of 2020. The significant shutdowns in the economy caused by the pandemic beginning in late March would have their effects, causing sales to decrease by 16.9% in the second quarter. However, as the economy started to reopen in the summer months, home sales picked up, increasing by 14.0% in the third quarter.

The availability of housing – which has become more and more constrained in recent years – would also continue to be an issue entering 2020. By the fourth quarter of 2019, the nationwide housing supply was at 3.67 months, which was the lowest availability seen since the U.S. Census Bureau began keeping this statistic in 1982. The first quarter availability would continue to fall to just over 3.40 months, before climbing again to 3.84 months in the second quarter, as nationwide sales fell due to the effects of the pandemic. The rush to purchase homes in the third quarter continued, as availability fell to a new low of 2.62 months by the end of September.

The median existing single-family home price, which hit an all-time high of nearly $280,000 nationwide in the fourth quarter of 2019, continued its climb in the first quarter of 2020 to nearly $287,000, due in part to the continued constraints in supply as well as drastic decreases in interest rates in early 2020. Though decreased demand resulting from the pandemic pushed the price back down into the $280,000 range in the second quarter of 2020, the increased demand, coupled in part with historically low interest rates, pushed the median home price to $306,000 in the third quarter, the first time this price metric had crossed the $300,000 barrier. Continued downward pressure on interest rates – in particular, the Federal Reserve Bank's decision to hold the Federal Funds Rate at or near zero until at least the end of 2022 – may only continue to encourage homebuying and, in turn, result in increased prices for the next couple of years.

The number of new single-family home completions in 2019 was slightly more than 900,000, which is the highest amount for any year since the end of the Great Recession, but still lower than the number of completions seen in 1992. The upward climb for completions continued in the first quarter of 2020, increasing by 4.2% compared to the first quarter of 2019. As with the other segments of the housing market, though, completions decreased by 1.3% in the second quarter due to the effects of the pandemic, completions increased by 2.5% in the third quarter once the immediate economic effects of the pandemic passed.

TABLE 2: SELECTED U.S. HOUSING MARKET STATISTICS
CALENDAR YEARS 2014 - 2019

	2014	2015	2016	2017	2018	2019
New Housing Completions (% change)	15.7%	9.4%	9.7%	8.7%	3.3%	5.8%
Sales of New Single-Family Homes (% change)	2.3%	14.1%	12.0%	9.3%	0.7%	10.5%
Median Existing Single-Family Home Price (% change)	5.8%	6.8%	5.6%	5.9%	4.8%	4.9%
Sales of Existing Single-Family Homes (% change)	-3.1%	6.6%	4.3%	1.7%	-3.4%	0.4%
Total Mortgage Originations (% change)	-31.2%	32.4%	21.3%	-13.6%	-4.5%	27.8%
Total Mortgage Loans Delinquent (% change)	1.1%	-3.3%	-4.0%	0.9%	-0.8%	0.9%
Total Foreclosures Started (% change)	-30.1%	-8.0%	-21.3%	-15.9%	-4.9%	-10.9%
Supply of Existing Single-Family Homes (Months)	5.23	4.82	4.34	3.90	3.95	3.87

Sources: National Association of Realtors, Standard and Poor's, U.S. Census Bureau, Federal Reserve Board, Mortgage Bankers' Association

Nevada's housing market was not unlike the U.S. housing market as a whole, showing weakness during the first half of 2020 as a result of the pandemic. Existing single-family home sales, which reached a level of slightly more than 68,000 units in 2019, increased by 11.1% in the first quarter of 2020 before falling by 29.6% in the second quarter. The post-pandemic recovery of the housing market, with increased sales due in part to historically low interest rates, has revived concerns about the supply of homes, with a current supply of approximately 1.5 months in Southern Nevada and a supply of closer to 1 month in Northern Nevada.

At the end of 2019, home prices in Nevada had reached levels not seen statewide since 2005. The pandemic, despite the effect on sales in the second quarter, has not had effects on prices – as measured by the Case-Shiller Index, home prices in the second quarter of 2020 were 2.8% higher than were seen at the end of 2019, and 1.0% higher than the prices seen in the first quarter. However, with the pandemic causing effects on employment and the economy in general, growing concerns regarding the ability of homeowners to pay their mortgages, coupled with continued increases in prices, has led to potential risks for increases in delinquencies and foreclosures that may soften prices in the next couple of years. Moody's Analytics forecasts that, by the end of 2020, prices in Nevada will slightly decrease by 0.2%, bringing the average home price in Nevada by the end of this year to the levels seen in the second quarter of 2005.

There were a total of nearly 14,000 single-family home completions in 2019, with no signs of homebuilding drastically slowing down in the first quarter of 2020, which was down only 0.5% compared to the first quarter of 2019. The second quarter, like other portions of the housing market, was a different story, with completions down 5.1% compared to the second quarter of 2019. Owing in part to a recovery in the third quarter, with completions increasing by 19.8% compared to the same quarter in 2019, Moody's Analytics forecasts that the total number of completions in 2020 will be essentially flat compared to the total registered in 2019.

Inflation

After nine separate actions by the Federal Reserve's Open Markets Committee to increase the federal funds rate – the rate at which banks may borrow money from the Federal Reserve Bank – between December 2015 and December 2018, the Open Market Committee spent 2019 attempting to ease monetary policy by voting to reduce this rate on three separate occasions. These actions were taken, according to the Committee, to "foster maximum employment and price stability" – specifically, to maintain a target inflation rate of 2.0%. The Consumer Price Index (CPI), in 2019, ended up increasing by 1.8%.

In March of 2020, in reaction to the pandemic, the Open Markets Committee took the step to reduce the Federal Funds Rate twice – the first time on March 3 by 0.50%, and the second time on March 15 by a full percentage point – to a target rate of between 0.00% and 0.25%, matching the rate that was established during the Great Recession between December 2008 and December 2015. The inflation rate reacted to the pandemic as well, dropping by 0.90% in the second quarter compared to the first quarter – the largest quarter-to-quarter drop in the inflation rate since the fourth quarter of 2008.

In June, Federal Reserve Board Chairman Jerome Powell was quoted in a news conference as saying, "We're not thinking about raising rates. We're not even thinking about *thinking about* raising interest rates." The Federal Reserve signaled at the time that interest rates would likely be held at or near zero until at least 2022, citing the outbreak and its continued risks to the economic outlook in the U.S. As the economy has begun to recover to some extent from the shutdowns seen in the second quarter, due in part to the trillions of dollars injected into the economy through the CARES Act and other federal relief programs, the CPI, through the first three quarters of 2020, has increased by 1.3%. With a projected increase of only 0.4% in the fourth quarter, Moody's forecasts that the CPI will increase by 1.2% for calendar year 2020. Moody's is forecasting the CPI to increase by 1.8 % in 2021, 2.7% in 2022, and 2.6% in 2023.

Employment

Nationally, employment had been increasing through February 2020 and the unemployment rate reached a low of 3.5%, for the first time in September 2019 and then again in February 2020, matching the lowest rate since 1969. In March 2020, as many state and local governments began enacting stay-at-home orders to slow the spread of the coronavirus, the unemployment rate increased to 4.4% and nearly 1.4 million jobs were lost. As businesses deemed non-essential were suddenly forced to close, millions of workers were laid off or furloughed, pushing the unemployment rate to 14.7% in April 2020, representing its highest level and the largest month to month increase since the Bureau of Labor Statistics (BLS) started recording the monthly rate in 1948. Since that time, the unemployment rate has declined for six consecutive months to reach 6.9% in October 2020, representing 11.1 million unemployed. Despite these improvements, the October unemployment rate and the number of unemployed remained nearly twice the levels observed in February 2020.

In March and April 2020, the U.S. economy lost more than 22.0 million jobs due to the pandemic. The leisure and hospitality industry, which lost 8.3 million jobs, and retail, which lost 2.4 million jobs, were among the sectors most impacted due to social distancing initiatives and capacity restrictions combined with the fear of contracting the virus when traveling, shopping, dining, attending events or otherwise meeting in large groups.

As the stay-at-home orders were lifted and business began to reopen nationwide, more than 50.0% of the jobs lost in March and April were recovered during May through August 2020. In May, 2.7 million jobs were added back followed by another 4.8 million jobs in June. However, the number of jobs added back in each month since June has been declining with 1.8 million and 1.5 million jobs added back in July and August, respectively. The pace of job growth slowed further to 672,000 jobs added in September and 638,000 jobs added in October 2020 as employment in the U.S remained at 10.1 million jobs or 6.6% below the February 2020 level.

According to the Bureau of Labor Statistics, nearly 9.2 million jobs have been lost between October 2019 and October 2020. The jobs lost during that period occurred across all industry sectors with the largest private sector declines occurring in the leisure and hospitality sector (3.3 million jobs lost); the education and health services sector (1.1 million jobs lost); the professional and business services sector (1.0 million jobs lost); the trade, transportation, and utilities sector (999,000 jobs lost); the manufacturing sector (579,000 jobs lost); the other services sector (402,000 jobs lost); and the information sector (233,000 jobs lost). A smaller number of jobs have been lost in the construction sector (196,000 jobs lost) and the financial sector (76,000 jobs lost). While the 113,000 jobs lost in the mining sector ranks among the lower range of jobs lost compared to other industries, the figure represents a 15.4% decline for the industry, second only to the 19.9% decline observed in the leisure and hospitality industry.

Between October 2019 and October 2020, the government sector has lost more than 1.1 million jobs. The bulk of the decline in public sector jobs during this time period is attributable to local governments (925,000 jobs lost) and state governments (340,000 jobs lost); however, federal employment actually increased during this period (149,000 jobs gained).

Like the national trend, Nevada’s unemployment rate fell to historically low levels at the end of 2019, and the January 2020 rate of 3.6% was the lowest on record for the state and matched the U.S. unemployment rate for the first time in more than a decade. In January 2020, only 15 states had an unemployment rate lower than Nevada’s 3.6% rate.

Although Nevada's unemployment rate would nearly double from 3.6% in January and February to 6.9% in March, the full impact of having all non-essential businesses shut down in mid-March would not be reflected in the unemployment rate until April 2020 when Nevada experienced the highest unemployment rate ever recorded by any state at 30.1%. Similar to the U.S., Nevada's unemployment rate has also declined during each month since April to reach 12.0% in October 2020, comparable to the level observed in 2012 coming out of the Great Recession.

For comparison to the U.S., from October 2019 to October 2020, Nevada's total nonfarm employment has declined by 117,200 jobs or 8.2% with job loses occurring across nearly all major industry sectors. The most significant private sector declines are in leisure and hospitality (50,200 jobs lost); professional and business services (19,300 jobs lost); and trade, transportation, and utilities (18,100 jobs lost). A smaller number of jobs have been lost in education and health services (4,400 jobs lost); information (2,200 jobs lost); construction (2,000 jobs lost); financial activities (1,500 jobs lost) and manufacturing (1,400 jobs lost). The government sector reported a decline of 15,100 jobs during the period. Local governments had a decline of 14,500 jobs and the state lost 2,200 jobs over that period. However, federal government employment increased by 1,600 jobs over that period. The only major private sector industry that gained jobs during this period was mining (1,600 jobs gained).

Consumer Spending

Throughout the economic expansion, consumers have been a major driving force, with spending growth exceeding economic growth for much of the last six years. After increasing by 3.8% in 2016, consumer spending growth increased to an average of 4.7% during 2017 and 2018 due in part to the federal tax cuts in 2017. After falling to 3.8% in the first quarter of 2019, consumer spending growth stabilized at 4.0% during each of the last three quarters of 2019.

The concept of stability, with respect to consumer spending or essentially any measure of economic activity, of course changed significantly beginning in the first quarter of 2020 as the impact of the pandemic became more apparent. Real GDP growth slowed to 0.3% in the first quarter followed by a 9.0% decline in the second quarter, while consumer spending growth slowed to 1.9% in the first quarter before registering a 9.7% decline in the second quarter.

The initial declines in the second quarter of 2020 were primarily driven by reduced expenditures on services, which declined by 12.5%, but expenditures on both durable and nondurable goods were also negatively impacted, decreasing by 3.8% and 3.3%, respectively. The personal consumption expenditures most impacted during this period included recreation services (50% decline), gasoline and other energy goods (45.4% decline), transportation services (40.3% decline), and food services and accommodations (38.3% decline). Factors contributing to these declines reflect the fact that many consumers were physically unable to spend due to the stay-at-home orders that caused stores, restaurants, hotels, entertainment venues and other establishments to be shut down. Many consumers also faced economic uncertainty caused by the fear of or actually being laid off or furloughed from their job, requiring those individuals to reduce spending on discretionary items.

Additionally, the amount of personal income saved by Americans, which averaged 7.6% in 2019, increased to 9.6% in the first quarter of 2020 followed by an unprecedented increase to 25.7% in the second quarter, as spending options were limited and the level of economic uncertainty continued to build.

As businesses opened up and economic activity resumed, real GDP improved in the third quarter, but remained 2.9% below the third quarter of 2019. Consumer spending also improved between the second and third quarters, but remained 1.7% below the third quarter of 2019. Compared to the same period in 2019, spending on durable and nondurable goods increased by 12.9% and 3.7%, respectively, while spending on services was still down by 5.6%.

In Nevada, much of the demand for consumer spending is driven by visitors, particularly those visiting Las Vegas. In 2019, 42.5 million visitors to Las Vegas were reported by the Las Vegas Convention and Visitors' Authority (LVCVA), or more than 3.5 million per month, which was a 1.0% gain compared to 2018. January and February of 2020 showed promise, with growth of 3.9% and 4.5%, respectively, compared to the same months in 2019; however, following the shutdown of casinos by Governor Sisolak in mid-March, visitor counts plummeted with just over 1.5 million visitors recorded for March (a 58.6% decrease), only 106,900 visitors in April (a 97.0% decrease), and 151,300 visitors in May (a 95.9% decrease).

The partial reopening of casinos beginning on June 4, with 50.0% capacity controls put in place by the Gaming Control Board, allowed for some return of visitors to Las Vegas, with 1,065,100 visitors reported for June (a 70.5% decrease compared to June 2019). The numbers reported in more recent months have increased from that June level; however, even in October, the most recent month reported by the LVCVA, the visitor count of just under 1.9 million, a 49.4% decrease compared to October 2019, is comparable to visitor counts seen in Las Vegas in early 1993.

General Fund Revenue Forecast – Fiscal Years 2021, 2022, and 2023

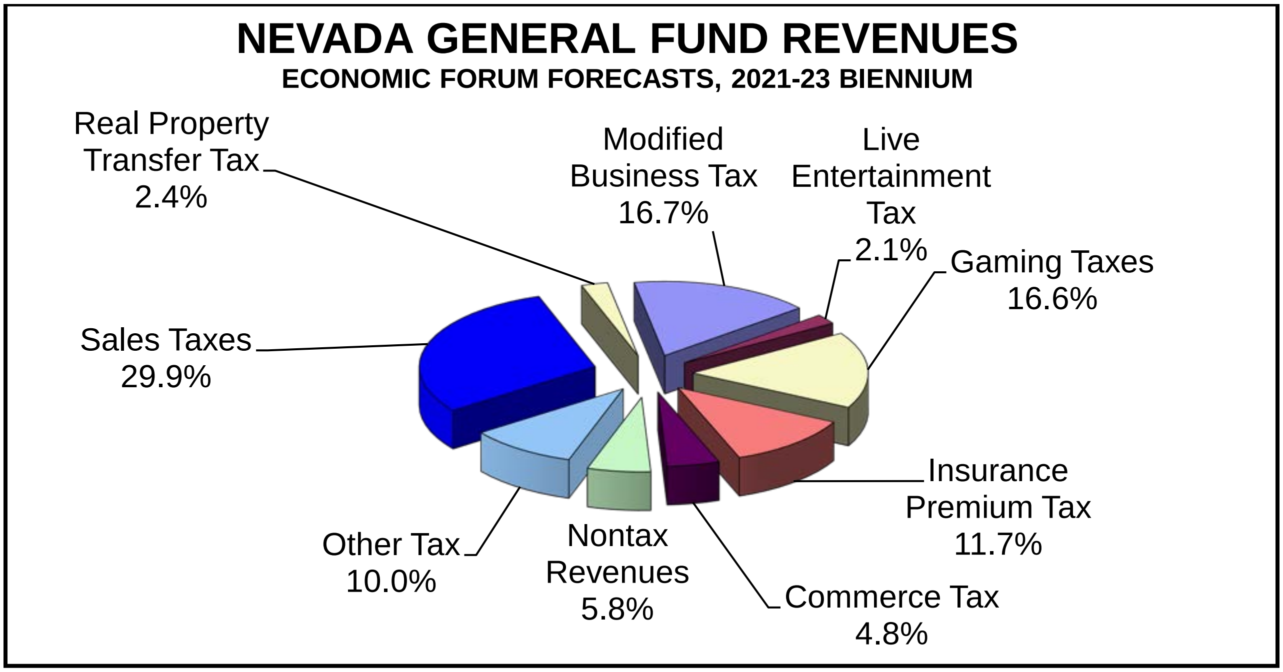
At the December 3, 2020, meeting, the Economic Forum took into consideration presentations made at the meeting on November 10, 2020. These presentations included the Nevada employment outlook made by David Schmidt from the Nevada Department of Employment, Training and Rehabilitation and the U.S. and Nevada general economic outlook by Daniel White from Moody's Analytics. The Forum also took into consideration the economic outlooks used to derive the General Fund revenue forecasts made by the Budget Division, the Department of Taxation, the Gaming Control Board, Moody's Analytics, and the Fiscal Analysis Division.

(Exhibits presented to the Economic Forum at its meetings are available from the Fiscal Analysis Division upon request, or on the Legislative Counsel Bureau's website: https://www.leg.state.nv.us/App/InterimCommittee/REL/Interim2019/Committee/1596/Overview.)

Based on consideration of the information that was provided to the Forum at these meetings, and additionally taking into account the current uncertainty regarding the provision by Congress of additional federal stimulus relating to the pandemic or the timing regarding availability of a vaccine for the COVID-19 virus, the following forecast was approved at the December 3, 2020, meeting.

Total Nevada General Fund revenues, before the application of any tax credits approved by the Legislature, are forecast at $4.197 billion for FY 2022 and $4.484 billion for FY 2023. The 2021-2023 biennial total of $8.681 billion is 5.2% higher than the current revised estimate for FY 2021 and the actual collections for FY 2020 of $8.251 billion for the 2019-2021 biennium.

As you will note in the chart below, gaming taxes are forecast to provide 16.6% of all General Fund revenues during the 2021-23 biennium, an increase from the 14.8% now estimated for the current biennium. Sales tax collections are forecast to provide 29.9% of all General Fund revenues during the 2021-23 biennium, a decrease from the 30.2% currently estimated for the 2019-21 biennium. Modified business tax collections are forecast to provide 16.7% of all General Fund revenues during the 2021-23 biennium, a decrease from the 16.8% currently estimated for the 2019-21 biennium.



More detailed information on specific revenues in addition to gaming, sales, and modified business taxes is available in the accompanying table.

Sales Tax

Sales tax collections are forecast to reach $1.227 billion in FY 2021, a 2.9% decrease from FY 2020 levels. Sales taxes are expected to increase by 2.4% in FY 2022 and increase by 6.4% in FY 2023. These forecasts result in projected total sales tax receipts of $2.592 billion during the 2021-23 biennium.

Gaming Percentage Fee Tax

Total gaming percentage fee tax revenues are forecast to reach $548.3 million in FY 2021, a decrease of 11.5% from actual FY 2020 collections. From this base, the tax is estimated to increase by 21.7% in FY 2022 and increase by 8.2% in FY 2023 to yield revenues of $1.389 billion for the General Fund during the 2021-23 biennium.

Modified Business Tax

Total modified business tax revenues, before the effect of the credit that may be taken against this tax by persons who pay the commerce tax, are forecast to reach $678.6 million in FY 2021, a decrease of 3.7% from actual FY 2020 collections. Modified business taxes are estimated to increase by 3.9% in FY 2022, and are estimated to increase by 5.6% in FY 2023, which results in total revenues of $1.449 billion for the General Fund during the 2021-23 biennium.

Collections for the modified business tax are additionally estimated to be reduced by $45.8 million in FY 2021, $43.4 million in FY 2022, and $45.2 million in FY 2023, as a result of the commerce tax credit allowed against the modified business tax. The commerce tax credit is discussed in greater detail in the Commerce Tax subsection below.

Insurance Premium Tax

Total insurance premium tax revenues are forecast to reach $479.2 million in FY 2021, an increase of 4.5% from actual FY 2020 collections. From this base, the tax is estimated to increase by 3.6% in FY 2022 and increase by 4.4% in FY 2023 to yield revenues of $1.015 billion for the General Fund during the 2021-23 biennium.

Live Entertainment Tax

Total live entertainment tax revenues from gaming and nongaming establishments are forecast to reach $6.2 million in FY 2021, a decrease of 93.2% from actual FY 2020 collections. From this base, the tax is estimated to increase by 937.8% in FY 2022 and increase by 84.0% in FY 2023 to yield revenues of $182.9 million for the General Fund during the 2021-23 biennium.

Real Property Transfer Tax

Total real property transfer tax revenues are forecast to reach $106.5 million in FY 2021, an increase of 6.2% from actual FY 2020 collections. From this base, the tax is estimated to decrease by 1.0% in FY 2022 and decrease by 0.3% in FY 2023 to yield revenues of $210.6 million for the General Fund during the 2021-23 biennium.

Commerce Tax

Total commerce tax revenues are forecast to reach $191.9 million in FY 2021, a decrease of 6.4% from actual FY 2020 collections. From this base, the tax is estimated to increase by 4.7% in FY 2022 and increase by 7.7% in FY 2023 to yield revenues of $417.6 million for the General Fund during the 2021-23 biennium.

As approved by the Legislature during the 2015 Session, taxpayers who have a commerce tax liability in a preceding fiscal year are entitled to take a credit of up to 50.0% of that liability against the modified business tax in the current fiscal year. Based on the actual FY 2020 commerce tax collections of $205.0 million, actual and projected revenue based on FY 2020 taxable activity but not collected until FY 2021, and historical usage of these credits against the modified business tax, the commerce tax credit is estimated at $45.8 million in FY 2021.

The commerce tax credit is estimated to be $43.4 million in FY 2022 and $45.2 million in FY 2023, which yields total commerce tax credits of $88.6 million taken against the modified business tax during the 2021-23 biennium.

Tax Credit Programs

Total credits from all other tax credit programs authorized by the Legislature are forecast to reduce General Fund revenues by $23.6 million in FY 2021, $37.7 million in FY 2022, and $46.7 million in FY 2023. The total forecast of $84.3 million in tax credits for the 2021-2023 biennium results in a reduction in General Fund revenue of $19.1 million compared to the $65.2 million in tax credits estimated for the 2021-23 biennium, based on the actual credits taken in FY 2020 and the revised estimates for FY 2021. This increase is primarily attributable to the renewal of the tax credits for the New Markets Jobs Act program approved by the Legislature during the 2019 Session, as well as the approval of additional tax credits for eligible affordable housing projects approved during the 2019 Session.

Total General Fund Revenues

Total Nevada General Fund revenues, after the application of all tax credits, are forecast at $4.116 billion for FY 2022 and $4.392 billion for FY 2023. The 2021-2023 biennial total of $8.508 billion is 5.2% higher than the current revised estimate for FY 2021 and the actual collections for FY 2020 of $8.089 billion for the 2019-2021 biennium. This results in an estimated $418.0 million increase in total General Fund revenues between the 2019-2021 biennium and the 2021-2023 biennium.

GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING

								ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
	DESCRIPTION	FY 2018 ACTUAL	% Change	FY 2019 ACTUAL	% Change	FY 2020 ACTUAL	% Change	FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
	TAXES												
	MINING TAX												
3064	Net Proceeds of Minerals [2-16][3-16][1-21]	$63,522,196	151.5%	$50,336,904	-20.8%	$57,157,296	13.5%	$130,207,000	127.8%	$57,321,000	-56.0%	$54,913,000	-4.2%
3245	Centrally Assessed Penalties	$1		$17,164		$1,684		$0		$0		$0	
	TOTAL MINING TAXES AND FEES	$63,522,196	151.4%	$50,354,067	-20.7%	$57,158,980	13.5%	$130,207,000	127.8%	$57,321,000	-56.0%	$54,913,000	-4.2%
	SALES AND USE												
3001	Sales & Use Tax [1-19][1-20]	$1,142,799,766	4.8%	$1,235,124,279	8.1%	$1,214,701,336	-1.7%	$1,178,675,000	-3.0%	$1,206,567,000	2.4%	$1,283,341,000	6.4%
3002	State Share - LSST [4-16][1-19][1-20]	$11,091,996	4.6%	$11,937,036	7.6%	$11,770,188	-1.4%	$11,492,000	-2.4%	$11,764,000	2.4%	$12,513,000	6.4%
3003	State Share - BCCRT [1-19][1-20]	$4,996,610	5.6%	$5,318,926	6.5%	$5,254,882	-1.2%	$5,157,000	-1.9%	$5,279,000	2.4%	$5,615,000	6.4%
3004	State Share - SCCRT [1-19][1-20]	$17,481,048	5.6%	$18,611,557	6.5%	$18,387,225	-1.2%	$18,048,000	-1.8%	$18,476,000	2.4%	$19,651,000	6.4%
3005	State Share - PTT [1-19][1-20]	$12,857,082	15.5%	$13,704,137	6.6%	$13,825,825	0.9%	$13,571,000	-1.8%	$13,893,000	2.4%	$14,777,000	6.4%
	TOTAL SALES AND USE	$1,189,226,502	4.9%	$1,284,695,935	8.0%	$1,263,939,457	-1.6%	$1,226,943,000	-2.9%	$1,255,979,000	2.4%	$1,335,897,000	6.4%
	GAMING - STATE												
3041	Percent Fees - Gross Revenue: Before Tax Credits	$757,790,502	3.7%	$752,165,675	-0.7%	$619,269,825	-17.7%	$548,333,000	-11.5%	$667,051,000	21.7%	$721,954,000	8.2%
	Tax Credit Programs:												
	Film Transferrable Tax Credits [TC-1]	$0		-$1,519,656		-$337,637		$0		$0		$0	
	Economic Development Transferrable Tax Credits [TC-2]	-$73,831,822		-$41,943,604		-$21,912,501		$0		$0		$0	
	Catalyst Account Transferrable Tax Credits [TC-4]	-$355,000		$0		-$300,000		$0		$0		$0	
	Affordable Housing Transferrable Tax Credits [TC-7]	$0		$0		$0		$0		$0		$0	
	Total - Tax Credit Programs	-$74,186,822		-$43,463,260		-$22,550,138		$0		$0		$0	
	Percent Fees - Gross Revenue: After Tax Credits	$683,603,680	-0.7%	$708,702,415	3.7%	$596,719,687	-15.8%	$548,333,000	-8.1%	$667,051,000	21.7%	$721,954,000	8.2%
3032	Pari-mutuel Tax	$3,200	-6.0%	$3,228	0.9%	$3,379	4.7%	$0	-100.0%	$3,400		$3,500	2.9%
3181	Racing Fees	$8,723	-12.2%	$7,459	-14.5%	$9,286	24.5%	$0	-100.0%	$9,300		$9,500	2.2%
3247	Racing Fines/Forfeitures	$0		$500		$0		$0		$0		$0	
3042	Gaming Penalties	$415,429	-80.7%	$22,214,808	5247.4%	$176,184	-99.2%	$700,000	297.3%	$700,000	0.0%	$700,000	0.0%
3043	Flat Fees-Restricted Slots [2-20]	$8,270,489	1.2%	$8,317,777	0.6%	$8,073,138	-2.9%	$7,582,000	-6.1%	$7,763,000	2.4%	$8,332,000	7.3%
3044	Non-Restricted Slots [2-20]	$10,496,064	-1.4%	$10,416,168	-0.8%	$10,223,380	-1.9%	$9,356,000	-8.5%	$9,562,000	2.2%	$10,361,000	8.4%
3045	Quarterly Fees-Games	$6,390,520	-0.8%	$6,266,332	-1.9%	$5,439,293	-13.2%	$5,567,000	2.3%	$5,692,000	2.2%	$6,045,000	6.2%
3046	Advance License Fees	$1,000,375	-4.1%	$1,434,605	43.4%	$1,173,154	-18.2%	$2,449,000	108.8%	$3,615,000	47.6%	$600,000	-83.4%
3048	Slot Machine Route Operator	$32,000	-4.5%	$32,000	0.0%	$32,000	0.0%	$31,500	-1.6%	$31,500	0.0%	$31,500	0.0%
3049	Gaming Info Systems Annual	$36,000	0.0%	$30,000	-16.7%	$42,000	40.0%	$30,000	-28.6%	$30,000	0.0%	$30,000	0.0%
3028	Interactive Gaming Fee - Operator	$500,000	0.0%	$500,000	0.0%	$500,000	0.0%	$500,000	0.0%	$500,000	0.0%	$500,000	0.0%
3029	Interactive Gaming Fee - Service Provider	$56,000	1.8%	$53,000	-5.4%	$13,000	-75.5%	$14,000	7.7%	$15,000	7.1%	$16,000	6.7%
3030	Interactive Gaming Fee - Manufacturer	$100,000	0.0%	$100,000	0.0%	$75,000	-25.0%	$75,000	0.0%	$75,000	0.0%	$75,000	0.0%
3033	Equip Mfg. License	$291,520	6.0%	$291,480	0.0%	$286,510	-1.7%	$286,000	-0.2%	$288,000	0.7%	$288,500	0.2%
3034	Race Wire License	$4,439	-63.3%	$3,977	-10.4%	$5,059	27.2%	$1,800	-64.4%	$1,800	0.0%	$1,700	-5.6%
3035	Annual Fees on Games	$119,782	-1.2%	$114,088	-4.8%	$132,153	15.8%	$152,000	15.0%	$137,200	-9.7%	$122,200	-10.9%
	TOTAL GAMING - STATE: BEFORE TAX CREDITS	$785,515,041	3.3%	$801,951,098	2.1%	$645,453,361	-19.5%	$575,077,300	-10.9%	$695,474,200	20.9%	$749,069,900	7.7%
	Tax Credit Programs	-$74,186,822		-$43,463,260		-$22,550,138		$0		$0		$0	
	TOTAL GAMING - STATE: AFTER TAX CREDITS	$711,328,219	-0.9%	$758,487,838	6.6%	$622,903,223	-17.9%	$575,077,300	-7.7%	$695,474,200	20.9%	$749,069,900	7.7%
	LIVE ENTERTAINMENT TAX (LET)												
3031G	Live Entertainment Tax-Gaming [5-16]	$100,863,918	-1.4%	$105,613,998	4.7%	$72,175,787	-31.7%	$1,082,000	-98.5%	$45,450,000	4100.6%	$94,831,000	108.6%
3031NG	Live Entertainment Tax-Nongaming [5-16]	$24,544,887	-9.0%	$25,642,344	4.5%	$19,159,947	-25.3%	$5,123,000	-73.3%	$18,947,000	269.8%	$23,666,000	24.9%
	TOTAL LET	$125,408,805	-3.0%	$131,256,342	4.7%	$91,335,734	-30.4%	$6,205,000	-93.2%	$64,397,000	937.8%	$118,497,000	84.0%
	COMMERCE TAX												
	Commerce Tax [6-16]	$201,926,513	2.1%	$226,770,333	12.3%	$204,983,790	-9.6%	$191,937,000	-6.4%	$201,028,000	4.7%	$216,605,000	7.7%
	TRANSPORTATION CONNECTION EXCISE TAX												
	Transportation Connection Excise Tax [7-16]	$21,773,229	-5.7%	$30,216,771	38.8%	$19,868,720	-34.2%	$13,782,000	-30.6%	$15,989,000	16.0%	$28,578,000	78.7%
	CIGARETTE TAX												
3052	Cigarette Tax [8-16][3-20]	$160,664,759	-11.1%	$164,392,540	2.3%	$156,694,742	-4.7%	$147,653,000	-5.8%	$144,554,000	-2.1%	$141,863,000	-1.9%

GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING

	DESCRIPTION	FY 2018 ACTUAL	% Change	FY 2019 ACTUAL	% Change	FY 2020 ACTUAL	% Change	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
	TAXES - CONTINUED												
	MODIFIED BUSINESS TAX (MBT)												
	MBT - NONFINANCIAL BUSINESSES (MBT-NFI) [9-16][10-16][11-16][12-16][4-20]												
3069	MBT - Nonfinancial: Before Tax Credits	$604,038,466	5.3%	$644,970,150	6.8%	$646,338,474	0.2%	$614,260,000	-5.0%	$639,594,000	4.1%	$676,514,000	5.8%
	Commerce Tax Credits [13-16]	-$57,111,521		-$44,539,863		-$49,894,345							
	MBT - Nonfinancial: After Commerce Tax Credits	$546,926,945	3.1%	$600,430,287	9.8%	$596,444,129	-0.7%	$614,260,000	3.0%	$639,594,000	4.1%	$676,514,000	5.8%
	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]	-$15,925,154		-$12,064,773		-$11,069,828		$0		$0		$0	
	College Savings Plan Tax Credits [TC-6]	$0		-$731		$0		$0		$0		$0	
	Affordable Housing Transferrable Tax Credits [TC-7]	$0		$0		$0		$0		$0		$0	
	Total - Tax Credit Programs	-$15,925,154		-$12,065,504		-$11,069,828		$0		$0		$0	
	MBT - Nonfinancial: After Tax Credit Programs	$531,001,790	1.0%	$588,364,782	10.8%	$585,374,301	-0.5%	$614,260,000	4.9%	$639,594,000	4.1%	$676,514,000	5.8%
	MBT - FINANCIAL BUSINESSES (MBT-FI) [12-16][4-20]												
3069	MBT - Financial: Before Tax Credits	$29,088,764	4.2%	$29,919,524	2.9%	$35,412,610	18.4%	$40,502,000	14.4%	$40,631,000	0.3%	$42,443,000	4.5%
	Commerce Tax Credits [13-16]	-$633,954		-$329,401		-$875,623							
	MBT - Financial: After Commerce Tax Credits	$28,454,810	3.6%	$29,590,123	4.0%	$34,536,987	16.7%	$40,502,000	17.3%	$40,631,000	0.3%	$42,443,000	4.5%
	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]	-$50,000		$0		-$230,000		$0		$0		$0	
	College Savings Plan Tax Credits [TC-6]	$0		$0		$0		$0		$0		$0	
	Affordable Housing Transferrable Tax Credits [TC-7]	$0		$0		$0		$0		$0		$0	
	Total - Tax Credit Programs	-$50,000		$0		-$230,000		$0		$0		$0	
	MBT - Financial: After Tax Credit Programs	$28,404,810	3.6%	$29,590,123	4.2%	$34,306,987	15.9%	$40,502,000	18.1%	$40,631,000	0.3%	$42,443,000	4.5%
	MBT - MINING BUSINESSES (MBT-MINING) [11-16][4-20]												
3069	MBT - Mining: Before Tax Credits	$22,508,221	1.6%	$22,520,260	0.1%	$22,992,626	2.1%	$23,852,000	3.7%	$24,561,000	3.0%	$25,358,000	3.2%
	Commerce Tax Credits [13-16]	-$71,092		-$100,486		-$70,648							
	MBT - Mining: After Commerce Tax Credits	$22,437,129	1.5%	$22,419,773	-0.1%	$22,921,979	2.2%	$23,852,000	4.1%	$24,561,000	3.0%	$25,358,000	3.2%
	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]	$0		$0		$0		$0		$0		$0	
	College Savings Plan Tax Credits [TC-6]	$0		$0		$0		$0		$0		$0	
	Affordable Housing Transferrable Tax Credits [TC-7]	$0		$0		$0		$0		$0		$0	
	Total - Tax Credit Programs	$0		$0		$0		$0		$0		$0	
	MBT - Mining - After Tax Credit Programs	$22,437,129	1.5%	$22,419,773	-0.1%	$22,921,979	2.2%	$23,852,000	4.1%	$24,561,000	3.0%	$25,358,000	3.2%

GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING

								ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
	DESCRIPTION	FY 2018 ACTUAL	% Change	FY 2019 ACTUAL	% Change	FY 2020 ACTUAL	% Change	FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
	TAXES - CONTINUED												
	TOTAL MBT - NFI, FI, & MINING												
	TOTAL MBT: BEFORE TAX CREDITS	$655,635,451	5.1%	$697,409,933	6.4%	$704,743,710	1.1%	$678,614,000	-3.7%	$704,786,000	3.9%	$744,315,000	5.6%
	TOTAL COMMERCE TAX CREDITS [13-16]	-$57,816,568		-$44,969,750		-$50,840,616		-$45,774,000		-$43,362,000		-$45,227,000	
	TOTAL MBT: AFTER COMMERCE TAX CREDITS	$597,818,883	3.1%	$652,440,183	9.1%	$653,903,094	0.2%	$632,840,000	-3.2%	$661,424,000	4.5%	$699,088,000	5.7%
	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]	-$15,975,154		-$12,064,773		-$11,299,828		-$11,400,000		-$6,655,000		-$6,655,000	
	College Savings Plan Tax Credits [TC-6]	$0		-$731		$0		$0		$0		$0	
	Affordable Housing Transferrable Tax Credits [TC-7]	$0		$0		$0		$0		$0		$0	
	Total - Tax Credit Programs	-$15,975,154		-$12,065,504		-$11,299,828		-$11,400,000		-$6,655,000		-$6,655,000	
	TOTAL MBT: AFTER TAX CREDIT PROGRAMS	$581,843,729	1.1%	$640,374,679	10.1%	$642,603,266	0.3%	$621,440,000	-3.3%	$654,769,000	5.4%	$692,433,000	5.8%
	INSURANCE TAXES												
3061	Insurance Premium Tax: Before Tax Credits [1-16]	$417,497,362	8.8%	$442,123,385	5.9%	$458,514,238	3.7%	$479,199,000	4.5%	$496,540,000	3.6%	$518,271,000	4.4%
	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]	-$23,234,613		-$19,610,979		-$7,775,281		-$1,809,713		-$24,000,000		-$24,000,000	
	Affordable Housing Transferrable Tax Credits [TC-7]	$0		$0		$0		$0		$0		$0	
	Total - Tax Credit Programs	-$23,234,613		-$19,610,979		-$7,775,281		-$1,809,713		-$24,000,000		-$24,000,000	
	Insurance Premium Tax: After Tax Credit Programs	$394,262,749	10.0%	$422,512,406	7.2%	$450,738,957	6.7%	$477,389,287	5.9%	$472,540,000	-1.0%	$494,271,000	4.6%
3062	Insurance Retaliatory Tax	$170,507	-5.7%	$309,525	81.5%	$378,126	22.2%	$344,300	-8.9%	$349,300	1.5%	$354,400	1.5%
3067	Captive Insurer Premium Tax	$1,267,234	17.6%	$1,266,281	-0.1%	$1,244,273	-1.7%	$1,255,000	0.9%	$1,293,000	3.0%	$1,335,000	3.2%
	TOTAL INSURANCE TAXES: BEFORE TAX CREDITS	$418,935,102	8.8%	$443,699,191	5.9%	$460,136,638	3.7%	$480,798,300	4.5%	$498,182,300	3.6%	$519,960,400	4.4%
	TAX CREDIT PROGRAMS	-$23,234,613		-$19,610,979		-$7,775,281		-$1,809,713		-$24,000,000		-$24,000,000	
	TOTAL INSURANCE TAXES: AFTER TAX CREDITS	$395,700,489	10.0%	$424,088,212	7.2%	$452,361,356	6.7%	$478,988,587	5.9%	$474,182,300	-1.0%	$495,960,400	4.6%
	REAL PROPERTY TRANSFER TAX (RPTT)												
3055	Real Property Transfer Tax	$103,390,400	23.1%	$101,045,306	-2.3%	$100,266,873	-0.8%	$106,507,000	6.2%	$105,460,000	-1.0%	$105,143,000	-0.3%
	GOVERMENTAL SERVICES TAX (GST)												
3051	Governmental Services Tax [14-16][2-18][5-20][2-21]	$20,252,358	-47.5%	$21,489,134	6.1%	$21,307,879	-0.8%	$94,266,000	342.4%	$23,703,000	-74.9%	$24,295,000	2.5%
	OTHER TAXES												
3113	Business License Fee [15-16]	$109,297,773	4.2%	$110,336,678	1.0%	$103,062,659	-6.6%	$101,355,000	-1.7%	$102,461,000	1.1%	$104,681,000	2.2%
3050	Liquor Tax	$44,194,634	0.7%	$44,790,598	1.3%	$42,312,940	-5.5%	$38,917,000	-8.0%	$40,896,000	5.1%	$42,473,000	3.9%
3053	Other Tobacco Tax [6-20]	$16,496,006	12.3%	$18,099,022	9.7%	$23,200,047	28.2%	$30,011,000	29.4%	$31,552,000	5.1%	$32,838,000	4.1%
4862	HECC Transfer	$5,000,000	0.0%	$5,000,000	0.0%	$5,000,000	0.0%	$5,000,000	0.0%	$5,000,000	0.0%	$5,000,000	0.0%
3068	Branch Bank Excise Tax	$2,745,343	-1.4%	$2,802,489	2.1%	$2,608,720	-6.9%	$2,590,000	-0.7%	$2,562,000	-1.1%	$2,535,000	-1.1%
	Tax Amnesty [3-21]							$14,000,000		$0		$0	
	TOTAL TAXES: BEFORE TAX CREDITS	$3,923,984,113	4.6%	$4,134,309,440	5.4%	$3,902,074,250	-5.6%	$3,843,862,600	-1.5%	$3,949,344,500	2.7%	$4,226,663,300	7.0%
	TOTAL COMMERCE TAX CREDITS [13-16]	-$57,816,568		-$44,969,750		-$50,840,616		-$45,774,000		-$43,362,000		-$45,227,000	
	TOTAL TAXES: AFTER COMMERCE TAX CREDITS	$3,866,167,545	4.3%	$4,089,339,690	5.8%	$3,851,233,634	-5.8%	$3,798,088,600	-1.4%	$3,905,982,500	2.8%	$4,181,436,300	7.1%
	Tax Credit Programs:												
	Film Transferrable Tax Credits [TC-1]	$0		-$1,519,656		-$337,637		-$10,000,000		-$4,000,000		-$6,000,000	
	Economic Development Transferrable Tax Credits [TC-2]	-$73,831,822		-$41,943,604		-$21,912,501		$0		$0		$0	
	Catalyst Account Transferrable Tax Credits [TC-4]	-$355,000		$0		-$300,000		-$350,000		$0		$0	
	Nevada New Markets Job Act Tax Credits [TC-3]	-$23,234,613		-$19,610,979		-$7,775,281		-$1,809,713		-$24,000,000		-$24,000,000	
	Education Choice Scholarship Tax Credits [TC-5]	-$15,975,154		-$12,064,773		-$11,299,828		-$11,400,000		-$6,655,000		-$6,655,000	
	College Savings Plan Tax Credits [TC-6]	$0		-$731		$0		-$2,500		-$2,500		-$2,500	
	Affordable Housing Transferrable Tax Credits [TC-7]	$0		$0		$0		$0		-$3,000,000		-$10,000,000	
	Total - Tax Credit Programs	-$113,396,589		-$75,139,743		-$41,625,247		-$23,562,213		-$37,657,500		-$46,657,500	
	TOTAL TAXES: AFTER TAX CREDITS	$3,752,770,956	3.2%	$4,014,199,946	7.0%	$3,809,608,386	-5.1%	$3,774,526,387	-0.9%	$3,868,325,000	2.5%	$4,134,778,800	6.9%

GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
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								ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
	DESCRIPTION	FY 2018 ACTUAL	% Change	FY 2019 ACTUAL	% Change	FY 2020 ACTUAL	% Change	FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
	LICENSES												
3101	Insurance Licenses	$21,002,623	7.5%	$21,928,437	4.4%	$23,569,572	7.5%	$24,898,000	5.6%	$25,587,000	2.8%	$26,690,000	4.3%
3120	Marriage License	$342,192	-6.2%	$331,666	-3.1%	$267,159	-19.4%	$178,900	-33.0%	$223,000	24.7%	$214,600	-3.8%
	SECRETARY OF STATE												
3105	UCC	$1,942,182	5.6%	$2,408,248	24.0%	$3,057,329	27.0%	$3,414,000	11.7%	$2,714,000	-20.5%	$2,731,000	0.6%
3129	Notary Fees	$556,389	1.4%	$523,925	-5.8%	$464,366	-11.4%	$494,800	6.6%	$516,500	4.4%	$521,000	0.9%
3130	Commercial Recordings [16-16]	$77,057,113	3.3%	$76,200,543	-1.1%	$72,629,712	-4.7%	$71,594,000	-1.4%	$72,284,000	1.0%	$73,383,000	1.5%
3131	Video Service Franchise	$5,050	48.5%	$27,900	452.5%	$2,950	-89.4%	$3,500	18.6%	$3,500	0.0%	$3,500	0.0%
3121	Domestic Partnership Registry Fee	$0		$47,497		$33,998	-28.4%	$34,000	0.0%	$34,000	0.0%	$34,000	0.0%
3152	Securities	$29,322,672	3.6%	$29,879,214	1.9%	$30,131,586	0.8%	$31,494,000	4.5%	$31,805,000	1.0%	$32,066,000	0.8%
	TOTAL SECRETARY OF STATE	$108,883,405	3.4%	$109,087,327	0.2%	$106,319,941	-2.5%	$107,034,300	0.7%	$107,357,000	0.3%	$108,738,500	1.3%
3172	Private School Licenses	$214,155	0.6%	$220,294	2.9%	$194,318	-11.8%	$213,500	9.9%	$225,600	5.7%	$231,000	2.4%
3173	Private Employment Agency	$15,500	14.0%	$18,600	20.0%	$19,700	5.9%	$20,600	4.6%	$21,600	4.9%	$22,700	5.1%
	REAL ESTATE												
3161	Real Estate License [17-16]	$2,469,797	5.3%	$2,705,756	9.6%	$2,533,241	-6.4%	$2,470,000	-2.5%	$2,551,000	3.3%	$2,594,000	1.7%
3162	Real Estate Fees	$1,670	-51.6%	$1,800	7.8%	$1,650	-8.3%	$1,800	9.1%	$1,800	0.0%	$1,800	0.0%
	TOTAL REAL ESTATE	$2,471,467	5.2%	$2,707,556	9.6%	$2,534,891	-6.4%	$2,471,800	-2.5%	$2,552,800	3.3%	$2,595,800	1.7%
3102	Athletic Commission Fees [18-16]	$6,016,432	87.0%	$4,333,982	-28.0%	$4,021,180	-7.2%	$259,000	-93.6%	$3,333,000	1186.9%	$4,000,000	20.0%
	TOTAL LICENSES	$138,945,774	6.1%	$138,627,862	-0.2%	$136,926,762	-1.2%	$135,076,100	-1.4%	$139,300,000	3.1%	$142,492,600	2.3%
	FEES AND FINES												
3203	Divorce Fees	$164,198	-4.7%	$158,760	-3.3%	$144,113	-9.2%	$121,500	-15.7%	$129,700	6.7%	$125,700	-3.1%
3204	Civil Action Fees	$1,249,463	-2.9%	$1,286,607	3.0%	$1,226,220	-4.7%	$1,013,000	-17.4%	$1,192,000	17.7%	$1,190,000	-0.2%
3242	Insurance Fines	$676,092	-40.7%	$482,053	-28.7%	$390,033	-19.1%	$396,700	1.7%	$396,700	0.0%	$396,700	0.0%
3242LC	Investigative Recovery Costs - Labor Commission					$18,000		$19,900	10.6%	$20,600	3.5%	$21,300	3.4%
3103MD	Medical Plan Discount Reg. Fees	$0		$1,500		$0		$0		$0		$0	
	REAL ESTATE FEES												
3107IOS	IOS Application Fees	$7,780	15.4%	$6,880	-11.6%	$6,600	-4.1%	$6,800	3.0%	$6,900	1.5%	$7,000	1.4%
3165	Land Co Filing Fees [19-16]	$24,575	-0.5%	$27,925	13.6%	$19,400	-30.5%	$23,300	20.1%	$25,000	7.3%	$25,000	0.0%
3169	Real Estate Reg Fees	$12,275	71.7%	$9,725	-20.8%	$14,450	48.6%	$13,200	-8.7%	$11,500	-12.9%	$11,500	0.0%
4741	Real Estate Exam Fees	$601,757	27.5%	$587,174	-2.4%	$442,139	-24.7%	$594,000	34.3%	$599,300	0.9%	$604,600	0.9%
3178	Real Estate Accred Fees	$109,295	6.2%	$115,250	5.4%	$100,475	-12.8%	$106,800	6.3%	$107,600	0.7%	$108,500	0.8%
3254	Real Estate Penalties	$102,131	7.1%	$104,900	2.7%	$83,050	-20.8%	$91,700	10.4%	$91,700	0.0%	$91,700	0.0%
3190	A.B. 165, Real Estate Inspectors	$60,150	4.6%	$58,374	-3.0%	$62,730	7.5%	$61,300	-2.3%	$61,300	0.0%	$61,300	0.0%
	TOTAL REAL ESTATE FEES	$917,963	18.7%	$910,228	-0.8%	$728,844	-19.9%	$897,100	23.1%	$903,300	0.7%	$909,600	0.7%
3066	Short Term Car Lease	$55,601,611	6.0%	$57,304,945	3.1%	$45,208,997	-21.1%	$36,624,000	-19.0%	$43,133,000	17.8%	$47,007,000	9.0%
3103AC	Athletic Commission Licenses/Fines	$117,035	0.4%	$139,525	19.2%	$135,750	-2.7%	$168,000	23.8%	$120,000	-28.6%	$135,000	12.5%
3150	Navigable Water Permit Fees [3-18]	$61,185		$65,000	6.2%	$65,000	0.0%	$65,000	0.0%	$65,000	0.0%	$65,000	0.0%
3205	State Engineer Sales [4-18]	$3,860,659		$3,886,601	0.7%	$3,731,855	-4.0%	$3,770,000	1.0%	$3,770,000	0.0%	$3,770,000	0.0%
3206	Supreme Court Fees	$229,445	13.4%	$252,460	10.0%	$205,770	-18.5%	$227,600	10.6%	$233,800	2.7%	$235,900	0.9%
3115	Notice of Default Fee	$806,743	-11.4%	$591,061	-26.7%	$487,642	-17.5%	$400,000	-18.0%	$537,500	34.4%	$500,000	-7.0%
3271	Misc Fines/Forfeitures [5-18]	$2,764,378	14.5%	$3,495,166	26.4%	$1,671,151	-52.2%	$1,750,000	4.7%	$2,250,000	28.6%	$2,500,000	11.1%
	TOTAL FEES AND FINES	$66,448,771	11.7%	$68,573,906	3.2%	$54,013,376	-21.2%	$45,452,800	-15.8%	$52,751,600	16.1%	$56,856,200	7.8%

GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
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							ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
DESCRIPTION	FY 2018 ACTUAL	% Change	FY 2019 ACTUAL	% Change	FY 2020 ACTUAL	% Change	FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change
USE OF MONEY AND PROP												
OTHER REPAYMENTS												
4403 Forestry Nurseries Fund Repayment (05-M27)	$20,670		$20,670		$20,670		$20,670		$20,670		$20,670	
4408 Comp/Fac Repayment	$23,744		$13,032		$13,032		$13,032		$13,032		$13,032	
4408 CIP 97-C26, Capitol Complex Conduit System, Phase I	$62,542		$62,542		$0		$0		$0		$0	
4408 CIP 97-S4H, Advance Planning Addition to Computer Facility	$9,107		$9,107		$0		$0		$0		$0	
4408 EITS Repayment - State Microwave Communications System [1-18]	$57,900		$57,900		$57,900		$57,900		$266,915		$266,915	
4408 EITS Repayment - Cyber Security Resource Enhancement [2-19]			$124,406		$201,079		$178,351		$124,406		$0	
4408 EITS Repayment - Wide-Area Network Upgrade [3-19]			$499,724		$499,724		$499,724		$223,808		$0	
4408 EITS Repayment - Enterprise Cloud Application [1-22]							$0		$448,209		$448,209	
4408 EITS Repayment - Firewall Replacement [2-22]							$0		$679,792		$679,792	
4409 Motor Pool Repay - LV	$125,000		$125,000		$125,000		$125,000		$125,000		$125,000	
TOTAL OTHER REPAYMENTS	$298,963	18.7%	$912,381	205.2%	$917,405	0.6%	$894,677	-2.5%	$1,901,832	112.6%	$1,553,618	-18.3%
INTEREST INCOME												
3290 Treasurer	$9,146,057	155.6%	$18,212,970	99.1%	$20,026,728	10.0%	$7,136,000	-64.4%	$4,296,000	-39.8%	$6,069,000	41.3%
3291 Other	$115,117	163.2%	$206,181	79.1%	$177,821	-13.8%	$22,500	-87.3%	$42,500	88.9%	$55,000	29.4%
TOTAL INTEREST INCOME	$9,261,175	155.6%	$18,419,152	98.9%	$20,204,550	9.7%	$7,158,500	-64.6%	$4,338,500	-39.4%	$6,124,000	41.2%
TOTAL USE OF MONEY & PROP	$9,560,138	146.7%	$19,331,533	102.2%	$21,121,955	9.3%	$8,053,177	-61.9%	$6,240,332	-22.5%	$7,677,618	23.0%
OTHER REVENUE												
3059 Hoover Dam Revenue	$300,000	0.0%	$300,000	0.0%	$300,000	0.0%	$300,000	0.0%	$300,000	0.0%	$300,000	0.0%
MISC SALES AND REFUNDS												
4794 GST Commissions and Penalties / DMV [20-16]							$0		$0		$0	
3047 Expired Slot Machine Wagering Vouchers	$9,482,546	8.4%	$10,372,316	9.4%	$10,821,026	4.3%	$7,952,000	-26.5%	$8,360,000	5.1%	$9,635,000	15.3%
3107 Misc Fees [3-18]	$497,111	31.6%	$418,804	-15.8%	$410,057	-2.1%	$443,200	8.1%	$443,200	0.0%	$443,200	0.0%
3109 Court Admin Assessments [21-16][6-18][7-20]	$1,551,956		$1,672,413	7.8%	$0		$0		$0		$0	
3114 Court Administrative Assessment Fee	$2,095,971	1.4%	$2,144,139	2.3%	$1,831,501	-14.6%	$1,657,000	-9.5%	$2,005,000	21.0%	$2,109,000	5.2%
3168 Declare of Candidacy Filing Fee	$35,075	81.7%	$36,842	5.0%	$20,405	-44.6%	$23,300	14.2%	$35,000	50.2%	$23,300	-33.4%
3202 Fees & Writs of Garnishments	$1,740	-1.4%	$6,500	273.6%	$1,295	-80.1%	$1,000	-22.8%	$1,300	30.0%	$1,200	-7.7%
3220 Nevada Report Sales	$4,895	16.3%	$11,265	130.1%	$3,450	-69.4%	$6,900	100.0%	$7,500	8.7%	$7,500	0.0%
3222 Excess Property Sales	$3,400	-7.7%	$9,516	179.9%	$6,446	-32.3%	$6,100	-5.4%	$6,100	0.0%	$6,100	0.0%
3240 Sale of Trust Property	$864	-91.2%	$3,511	306.3%	$573	-83.7%	$600	4.7%	$900	50.0%	$900	0.0%
3243 Insurance - Misc	$397,998	8.5%	$354,889	-10.8%	$364,448	2.7%	$364,800	0.1%	$364,800	0.0%	$364,800	0.0%
3274 Misc Refunds	$51,085	-96.6%	$37,467	-26.7%	$30,139	-19.6%	$34,300	13.8%	$34,300	0.0%	$34,300	0.0%
3276 Cost Recovery Plan [7-18][8-20]	$9,839,249	-3.7%	$10,438,523	6.1%	$10,588,533	1.4%	$10,981,630	3.7%	$10,206,992	-7.1%	$9,803,603	-4.0%
TOTAL MISC SALES & REF	$23,961,888	2.7%	$25,506,185	6.4%	$24,077,873	-5.6%	$21,470,830	-10.8%	$21,465,092	0.0%	$22,428,903	4.5%
3255 Unclaimed Property	$26,723,929	3.3%	$20,964,747	-21.6%	$31,198,989	48.8%	$27,387,000	-12.2%	$27,317,000	-0.3%	$27,245,000	-0.3%
TOTAL OTHER REVENUE	$50,985,818	3.0%	$46,770,931	-8.3%	$55,576,862	18.8%	$49,157,830	-11.5%	$49,082,092	-0.2%	$49,973,903	1.8%
TOTAL GENERAL FUND REVENUE: BEFORE TAX CREDITS	$4,189,924,613	4.8%	$4,407,613,671	5.2%	$4,169,713,203	-5.4%	$4,081,602,507	-2.1%	$4,196,718,524	2.8%	$4,483,663,621	6.8%
TOTAL COMMERCE TAX CREDITS [13-16]	-$57,816,568		-$44,969,750		-$50,840,616		-$45,774,000		-$43,362,000		-$45,227,000	
TOTAL GENERAL FUND REVENUE: AFTER COMMERCE TAX CREDITS	$4,132,108,045	4.5%	$4,362,643,921	5.6%	$4,118,872,587	-5.6%	$4,035,828,507	-2.0%	$4,153,356,524	2.9%	$4,438,436,621	6.9%
TAX CREDIT PROGRAMS:												
FILM TRANSFERRABLE TAX CREDITS [TC-1]	$0		-$1,519,656		-$337,637		-$10,000,000		-$4,000,000		-$6,000,000	
ECONOMIC DEVELOPMENT TRANSFERRABLE TAX CREDITS [TC-2]	-$73,831,822		-$41,943,604		-$21,912,501		$0		$0		$0	
CATALYST ACCOUNT TRANSFERRABLE TAX CREDITS [TC-4]	-$355,000		$0		-$300,000		-$350,000		$0		$0	
NEVADA NEW MARKET JOBS ACT TAX CREDITS [TC-3]	-$23,234,613		-$19,610,979		-$7,775,281		-$1,809,713		-$24,000,000		-$24,000,000	
EDUCATION CHOICE SCHOLARSHIP TAX CREDITS [TC-5]	-$15,975,154		-$12,064,773		-$11,299,828		-$11,400,000		-$6,655,000		-$6,655,000	
COLLEGE SAVINGS PLAN TAX CREDITS [TC-6]	$0		-$731		$0		-$2,500		-$2,500		-$2,500	
AFFORDABLE HOUSING TRANSFERRABLE TAX CREDITS [TC-7]	$0		$0		$0		$0		-$3,000,000		-$10,000,000	
TOTAL- TAX CREDIT PROGRAMS	-$113,396,589		-$75,139,743		-$41,625,247		-$23,562,213		-$37,657,500		-$46,657,500	
TOTAL GENERAL FUND REVENUE: AFTER TAX CREDITS	$4,018,711,456	3.6%	$4,287,504,178	6.7%	$4,077,247,340	-4.9%	$4,012,266,294	-1.6%	$4,115,699,024	2.6%	$4,391,779,121	6.7%

DESCRIPTION	FY 2018 ACTUAL	% Change	FY 2019 ACTUAL	% Change	FY 2020 ACTUAL	% Change	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change

NOTES:

FY 2016: Note 1 represents legislative actions approved during the 28th Special Session in September 2014.

[1-16] Assembly Bill 3 (28th S.S.) limits the amount of the home office credit that may be taken against the Insurance Premium Tax to an annual limit of $5 million, effective January 1, 2016. The home office credit is eliminated pursuant to this bill, effective January 1, 2021.

FY 2016: Notes 2 through 21 represent legislative actions approved during the 2015 Legislative Session.

[2-16] S.B. 483 extends the June 30, 2015, sunset (approved in S.B. 475 (2013)) by one year to June 30, 2016, on the Net Proceeds of Minerals (NPM) tax, which continues the payment of taxes in the current fiscal year based on the estimated net proceeds for the current calendar year with a true-up against actual net proceeds for the calendar year in the next fiscal year. The one-year extension of the sunset is estimated to yield $34,642,000 in FY 2016. There is no estimated tax payment in FY 2017 with the one-year extension of the prepayment of NPM taxes.

[3-16] S.B. 483 extends the June 30, 2015, sunset (approved in S.B. 475 (2013)) by one-year to June 30, 2016, that eliminates health and industrial insurance deductions allowed against gross proceeds to determine net proceeds for the purpose of calculating the Net Proceeds of Minerals (NPM) tax liability. These deduction changes are effective for the NPM tax payments due in FY 2016. The health and industrial insurance deduction changes are estimated to generate $4,221,000 in addtional revenue in FY 2016.

[4-16] S.B. 483 makes the 0.35% increase in the Local School Support Tax (LSST) permanent. The 0.35% increase generates additional revenue from the 0.75% General Fund Commission assessed against LSST proceeds before distribution to school districts in each county, which is estimated to generate $1,387,300 in FY 2016 and $1,463,400 in FY 2017.

[5-16] S.B. 266 makes changes to the structure of the tax base and tax rate for the Live Entertainment Tax (LET) in NRS Chapter 368A that is administered by the Gaming Control Board for live entertainment at licensed gaming establishments and the Department of Taxation for live entertainment provided at non-gaming establishments. Under existing law, the tax rate is 10% of the admission charge and amounts paid for food, refreshments, and merchandise, if the live entertainment is provided at a facility with a maximum occupancy of less than 7,500 persons, and 5% of the admission charge only, if the live entertainment is provided at a facility with a maximum occupancy equal to or greater than 7,500 persons. S.B. 266 removes the occupancy threshold and establishes a single 9% tax rate on the admission charge to the facility only. The tax rate does not apply to amounts paid for food, refreshments, and merchandise unless that is the consideration required to enter the facility for the live entertainment. S.B. 266 adds the total amount of consideration paid for escorts and escort services to the LET tax base and makes these activities subject to the 9% tax rate. The bill provides that the exemption from the LET for certain nonprofit organizations applies depending on the number of tickets sold and the type of live entertainment being provided. S.B. 266 establishes an exemption for the following: 1.) the value of certain admissions provided on a complimentary basis; 2.) a charge for access to a table, seat, or lounge or for food, beverages, and merchandise that are in addition to the admission charge to the facility; and 3.) certain license and rental fees of luxury suites, boxes, or similar products at a facility with a maximum occupancy of more than 7,500 persons. The provisions of S.B. 266 also make other changes to the types of activities that are included or excluded from the tax base as live entertainment events subject to the 9% tax rate. The provisions of S.B. 266 are effective October 1, 2015. The amounts shown reflect the estimated net change from the provisions of S.B. 266 on the amount of the LET collected from the portion administered by the Gaming Control Board and the Department of Taxation separately and the combined impact. The changes to the LET are estimated to reduce LET-Gaming collections by $19,165,000 in FY 2016 and by $26,551,000 in FY 2017, but increase LET-Nongaming collections by $15,483,000 in FY 2016 and $25,313,000 in FY 2017. The combined net effect on total LET collections is estimated to be reduction of $3,682,000 in FY 2016 and $1,238,000 in FY 2017.

[6-16] S.B. 483 establishes the Commerce Tax as an annual tax on each business entity engaged in business in the state whose Nevada gross revenue in a fiscal year exceeds $4,000,000 at a tax rate based on the industry in which the business is primarily engaged. The Commerce Tax is due on or before the 45th day immediately following the fiscal year taxable period (June 30th). Although the Commerce Tax collections are received after the June 30th end of the fiscal year tax period, the proceeds from the Commerce Tax will be accrued back and accounted for in that fiscal year, since that fiscal year is not officially closed until the third Friday in September. The Commerce Tax provisions are effective July 1, 2015, for the purpose of taxing the Nevada gross revenue of a business, but the first tax payment will not be made until August 14, 2016, for the FY 2016 annual taxable business activity period.

[7-16] A.B. 175 requires the collection of an excise tax by the Nevada Transportation Authority or the Taxicab Authority, as applicable, on the connection of a passenger to a driver affiliated with a transportation network company, a common motor carrier of passengers, or a taxicab equal to 3% of the fare charged to the passenger. The excise tax becomes effective on passage and approval (May 29, 2015) for transportation network companies and August 28, 2015, for common motor carrier and taxicab companies. The first $5,000,000 in tax proceeds from each biennium are required to be deposited in the State Highway Fund and the estimate for FY 2016 reflects this requirement.

[8-16] S.B. 483 increases the cigarette tax per pack of 20 by $1.00 from 80 cents per pack (10 cents to Local Government Distribution Fund, 70 cents to State General Fund) to $1.80 per pack (10 cents to Local Government Distribution Fund, $1.70 to State General Fund), effective July 1, 2015. The $1.00 per pack increase is estimated to generate $96,872,000 in FY 2016 and $95,391,000 in FY 2017.

[9-16] S.B. 483 permanently changes the structure and tax rate for the Modified Business Tax on General Business (nonfinancial institutions) by exempting quarterly taxable wages (gross wages less allowable health care expenses) paid by an employer to employees up to and including $50,000 per quarter and taxable wages exceeding $50,000 per quarter are taxed at 1.475%. The taxable wages exemption threshold was $85,000 per quarter for FY 2014 and FY 2015 with a 1.17% tax rate on quarterly taxable wages exceeding $85,000, based on S.B. 475 (2013). These provisions in S.B. 475 were scheduled to sunset effective June 30, 2015, at which time the tax rate would have been 0.63% on all taxable wages per quarter. The provisions in S.B. 483 are effective July 1, 2015. The estimated net increase in MBT-NFI tax collections from the 1.475% tax rate on quarterly taxable wages exceeding $50,000 compared to the Economic Forum May 1, 2015, forecast, based on the 0.63% tax rate on all quarterly taxable wages before accounting for the estimated impact of any other legislatively approved changes to the MBT-NFI is $268,041,000 for FY 2016 and $281,443,000 for FY 2017.

[10-16] A.B. 389 deems the client company of an employee leasing company to be the employer of the employees it leases for the purposes of NRS Chapter 612 (unemployment compensation). Under these provisions, the wages of employees leased from employee leasing companies by client companies will no longer be reported on an aggregated basis under the employee leasing company. The wages of the employees will now be reported on a disaggregated basis under each client company. Instead of the $50,000 quarterly exemption applying to the employee leasing company, it will now apply to each client company. These provisions are effective October 1, 2015. The wages paid to employees being reported on a disaggregated basis for each client company versus an aggregated basis for the employee leasing company is estimated to reduce MBT-NFI collections by $2,758,000 in FY 2016 and $3,861,000 in FY 2017.

[11-16] S.B. 483 requires businesses subject to the Net Proceeds of Minerals (NPM) tax in NRS Chapter 362 to pay a 2.0% tax on all quarterly taxable wages paid by the employer to the employees, which is identical to the Modified Business Tax (MBT) paid by financial institutions under NRS Chapter 363A. These provisions are effective July 1, 2015. This change is estimated to reduce MBT-NFI tax collections by $10,884,000 in both FY 2016 and FY 2017. The mining companies paying the 2% tax rate on all taxable wages are estimated to generate $17,353,000 in both FY 2016 and FY 2017 for the MBT-Mining. This change is estimated to yield a net increase in General Fund revenue of $6,469,000 in both FY 2016 and FY 2017.

[12-16] S.B. 103 exempts from the definition of "financial institution" in NRS Chapter 363A any person who is primarily engaged in the sale, solicitation, or negotiation of insurance, which makes such a person subject to the Modified Business Tax on General Business (nonfinancial institutions) in NRS Chapter 363B at 1.475% on quarterly taxable wages exceeding $50,000 and not the 2.0% tax on all quarterly taxable wages. These provisions are effective July 1, 2015. MBT-FI is estimated to be reduced by $891,000 in FY 2016 and $936,000 and the MBT-NFI is estimated to be increased by $278,000 in FY 2016 and $291,000 in FY 2017. The net decrease in General Fund revenue is estimated to be $613,000 in FY 2016 and $645,000 in FY 2017.

[13-16] S.B. 483 provides for a credit against a business's Modified Business Tax (MBT) due during the current fiscal year not to exceed 50% of the Commerce Tax paid by the business for the preceding fiscal year. The credit can be taken against any or all of the four quarterly MBT payments for the current fiscal year, but any amount of credit not used cannot be carried forward and used in succeeding fiscal years. The total estimated Commerce Tax credits against the MBT are estimated to be $59,913,000 in FY 2017, but this estimated credit amount was not allocated separately to the MBT-NFI, MBT-FI, and MBT-Mining.

GENERAL FUND REVENUES - ECONOMIC FORUM DECEMBER 3, 2020, FORECAST
ACTUAL: FY 2018 THROUGH FY 2020 AND FORECAST: FY 2021 THROUGH FY 2023
ECONOMIC FORUM'S FORECAST FOR FY 2021, FY 2022, AND FY 2023 APPROVED AT THE DECEMBER 3, 2020, MEETING

DESCRIPTION	FY 2018 ACTUAL	% Change	FY 2019 ACTUAL	% Change	FY 2020 ACTUAL	% Change	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change

[14-16] S.B. 483 requires 100% 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 2016. In FY 2017, 50% of the proceeds will be allocated to the State General Fund and 50% to the State Highway Fund. Under S.B. 483, 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 2018 and going forward permanently.

[15-16] S.B. 483 makes the $100 increase in the Business License Fee (BLF) from $100 to $200 permanent for the initial and annual renewal, that was scheduled to sunset on June 30, 2015, (as approved in A.B. 475 (2013)) for all types of businesses, except for corporations. The initial and annual renewal fee for corporations, as specified in S.B. 483, is increased from $200 to $500 permanently. These provisions are effective July 1, 2015. The changes to the BLF are estimated to generate additional General Fund revenue of $63,093,000 in FY 2016 and $64,338,000 in FY 2017 in relation ot the Economic Forum May 1, 2015, forecast with all business types paying a $100 annual fee.

[16-16] S.B. 483 permanently increases the fee for filing the initial and annual list of directors and officers by $25 that is required to be paid by each business entity organizing under the various chapters in Title 7 of the NRS, effective July 1, 2015. The $25 increase in the initial and annual list filing fee is estimated to increase Commercial Recordings Fee revenue by $2,751,000 in FY 2016 and $2,807,000 in FY 2017.

[17-16] A.B. 475 changes the initial period from 24 to 12 months and the renewal period from 48 to 24 months for a license as a real estate broker, broker-salesperson, or salesperson and also changes the period for other licenses from 48 to 24 months, effective July 1, 2015. Existing licenses issued before July 1, 2015, do not need to be renewed until the expiration date required under statute prior to July 1, 2015. This change in the licensing period is estimated to reduce Real Estate License Fee revenue by $1,693,400 in FY 2016 and $1,404,200 in FY 2017.

[18-16] A.B. 476 increases the current 6% license fee on the gross receipts from admission charges to unarmed combat events, that is dedicated to the State General Fund, by 2% to 8% with 75% of the proceeds from the 8% fee deposited in the State General Fund and 25% retained by the Athletic Commission to fund the agency's operations. A.B. 476 repeals the two-tiered fee based on the revenues from the sale or lease of broadcast, television and motion picture rights that is dedicated to the State General Fund. A.B. 476 allows the promoter of an unarmed combat event a credit against the 8% license fee equal to the amount paid to the Athletic Commission or organization sanctioned by the Commission to administer a drug testing program for unarmed combatants. These provisions are effective June 9, 2015, based on the passage and approval effective date provisions of A.B. 476. These changes are estimated to reduce Athletic Commission Fee revenue by $600,000 in both FY 2016 and FY 2017.

[19-16] A.B. 478 increases certain fees relating to application or renewals paid by developers for exemptions to any provisions administered by the Real Estate Division of the Department of Business and Industry, and requires that all fees collected for this purpose be kept by the Division, effective July 1, 2015. This requirement for the Division to keep these fees is estimated to reduce Real Estate Land Company filing fees by approximately $152,600 in FY 2016 and $153,300 in FY 2017.

[20-16] A.B. 491 (2013) required the proceeds from the commission retained by the Department of Motor Vehicles from the amount of Governmental Services Tax (GST) collected and any penalties for delinquent payment of the GST to be transferred to the State General Fund in FY 2015 only. A.B. 491 specified that the amount transferred shall not exceed $20,813,716 from commissions and $4,097,964 from penalties in FY 2015. A.B. 490 amended the commissions amount to $23,724,000 and the penalties amount to $5,037,000. This results in an estimated net increase in General Fund revenue of $3,849,320 in FY 2015 from GST Commissions and Penalties.

[21-16] 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 2016 and FY 2017.

FY 2018: Note 1 represents legislative actions approved during the 2015 Legislative Session.

[1-18] Section 51 of S.B. 514 allows the Division of Enterprise Information Technology Services of the Department of Administration to use revenues from intergovernmental transfers to the State General Fund for the repayment of special appropriations that were made to the Division for the replacement of the state's microwave communications system. The legislatively approved repayment from the Division to the State General Fund is $57,900 per year between FY 2018 and FY 2021, with increased repayments between FY 2022 and FY 2028.

FY 2018: Notes 2 through 7 represent legislative actions approved during the 2017 Legislative Session.

[2-18] 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.

[3-18] 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.

[4-18] 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.

[5-18] 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.

[6-18] 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.

[7-18] 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.

FY 2019: Notes 1 through 3 represent legislative actions approved during the 2017 Legislative Session.

[1-19] Senate Bill 415 (2017) required the submission of a question on the November 2018 General Election ballot seeking approval to amend the Sales and Use Tax Act of 1955 to provide an exemption from the State 2% sales and use tax for certain feminine hygeine products. This ballot question was approved by the voters and, therefore, the sales tax exemption for these products will be effective January 1, 2019, until December 31, 2028.

S.B. 415 also provides that if the ballot question is approved by the voters, identical exemptions for these products from the Local School Support Tax and other state and local taxes would become effective January 1, 2019, and would also expire on December 31, 2028. These exemptions will reduce the amount of the commission that is kept by the Department of Taxation and deposited in the State General Fund for collection of these taxes.

[2-19] Section 39 of A.B. 518 provides General Fund appropriations of $497,625 in FY 2018 and $306,690 in FY 2019 to the Division of Enterprise Information Technology Services of the Department of Administration to enhance the state's cyber security resources. The legislatively approved repayment of these appropriations is 25 percent of the amounts appropriated per year, beginning in FY 2019 (for the FY 2018 appropriation) and in FY 2020 (for the FY 2019 appropriation).

[3-19] Section 40 of A.B. 518 provides a General Fund appropriation of $1,998,895 in FY 2018 to the Division of Enterprise Information Technology Services of the Department of Administration to increase the bandwidth and connectivity of the State's wide area network. The legislatively approved repayment of this appropriation is 25 percent of the amount appropriated per year, beginning in FY 2019.

							ECONOMIC FORUM DECEMBER 3, 2020, FORECAST					
DESCRIPTION	FY 2018 ACTUAL	% Change	FY 2019 ACTUAL	% Change	FY 2020 ACTUAL	% Change	FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change

FY 2020: Notes 1 through 8 represent legislative actions approved during the 2019 Legislative Session.

[1-20] A.B. 445 requires a marketplace facilitator, defined as a person who facilitates the sale of tangible personal property by a marketplace seller in the state of Nevada, to collect and remit sales and use taxes on certain sales that are facilitated on behalf of the marketplace seller, effective October 1, 2019. Estimated to generate $16,459,000 in FY 2020 and $21,945,000 in FY 2021 for the State 2% rate. This requirement is also estimated to increase collections for the General Fund Commissions by $668,000 in FY 2020 (LSST: $160,000; BCCRT: $72,000; SCCRT: $252,000; PTT: $184,000) and $892,000 in FY 2021 (LSST: $214,000; BCCRT: $96,000; SCCRT: $336,000; PTT: $246,000).

[2-20] S.B. 535 removes the requirement that an amount equal to $2 per slot machine collected from quarterly restricted and non-restricted slot machine fees be allocated to the Account to Support Programs for the Prevention and Treatment of Problem Gambling. Estimated to generate $1,303,100 in FY 2020 (Non-restricted: $1,149,400; Restricted: $153,700) and $1,298,800 in FY 2021 (Non-restricted: $1,143,900; Restricted: $154,900).

[3-20] A.B. 535 increases the existing license fee on wholesale dealers of cigarettes, which is currently distributed between the State General Fund and local governments, and establishes new license fees for manufacturers, wholesale dealers of other tobacco products, and tobacco retailers. This bill requires all license fee proceeds to be retained by the Department of Taxation to administer and enforce the cigarette and OTP statutes. This action to require the license fees on wholesale dealers of cigarettes to be retained by the Department is estimated to reduce General Fund revenue by less than $10,000 per year in FY 2020 and FY 2021; thus, no adjustment is made to the forecast.

[4-20] S.B. 551 permanently repeals the provisions requiring the Modified Business Tax (MBT) tax rates on nonfinancial institutions (MBT-NFI), financial institutions (MBT-FI), and mining companies (MBT-Mining) to be reduced by the Department of Taxation if actual collections from these taxes, in combination with collections from the Commerce Tax and Branch Bank Excise Tax and tax credits taken against the MBT, are more than 4% above the Economic Forum's May forecast in any even-numbered fiscal year.

As a result of the passage of this bill, the rates for the MBT-NFI, which was to be reduced to 1.378% for all taxable wages in excess of $50,000 per calendar quarter, and the MBT-FI and MBT-Mining, which were to be reduced to 1.853% for all taxable wages, effective July 1, 2019, will remain at the current rates of 1.475% (for the MBT-NFI) and 2% (for the MBT-FI and MBT-Mining), on and after that date. Estimated to generate $48,166,000 in FY 2020 (MBT-NFI: $44,101,000; MBT-FI: $2,335,000; MBT-Mining: $1,730,000) and $49,998,000 in FY 2021 (MBT-NFI: $45,827,000; MBT:FI: $2,420,000; MBT-Mining: $1,751,000).

[5-20] S.B. 541 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 on a permanent basis, effective July 1, 2019. The remaining 75% portion of these proceeds are to be deposited in the State Highway Fund. Estimated to generate $21,954,000 in FY 2020 and $22,321,000 in FY 2021.

[6-20] S.B. 263 specifies that alternative nicotine products and vapor products, including e-cigarettes and their components, are subject to the 30 percent wholesale tax on other tobacco products, effective January 1, 2020. Estimated to generate $3,699,000 in FY 2020 and $7,931,000 in FY 2021.

[7-20] 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 2020 and FY 2021. Estimated to generate $351,220 in FY 2020 and $270,166 in FY 2021.

[8-20] Adjustment to the Statewide Cost Allocation amount included in the Legislatively Approved budget after the May 1, 2019, approval of the General Fund revenue forecast by the Economic Forum.

FY 2021: Notes 1 through 3 represent legislative actions approved during the 31st Special Session (July 2020).

[1-21] S.B. 3 requires the advance payment on the net proceeds of minerals (NPM) tax in FY 2021 based on the estimated net proceeds for the current calendar year 2021. This additional NPM tax payment in FY 2021 is estimated to generate $54,500,000 from the General Fund portion of the tax due on the estimated net proceeds for calendar year 2021 based on the consensus estimate prepared by the Department of Taxation, Budget Division, and the Fiscal Analysis Division. The provisions of S.B. 3 also apply to FY 2022 and FY 2023, but the NPM tax reverts back to the former method (tax due based on actual mining activity from the preceding calendar year) of taxing net proceeds on July 1, 2023.

[2-21] S.B. 3 requires 100% 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 2021 only. Beginning in FY 2022, the distribution reverts to 75% of the additional revenue generated from the GST 10% depreciation schedule change deposited in the State Highway Fund and 25% deposited in the State General Fund, as approved in S.B. 541 (2019). Estimated to generate an additional $71,346,000 in FY 2021 for the State General Fund, based on the consensus estimate prepared by the Budget Division and the Fiscal Analysis Division.

[3-21] A.B. 535 increases the existing license fee on wholesale dealers of cigarettes, which is currently distributed between the State General Fund and local governments, and establishes new license fees for manufacturers, wholesale dealers of other tobacco products, and tobacco retailers. This bill requires all license fee proceeds to be retained by the Department of Taxation to administer and enforce the cigarette and OTP statutes. This action to require the license fees on wholesale dealers of cigarettes to be retained by the Department is estimated to reduce General Fund revenue by less than $10,000 per year in FY 2020 and FY 2021; thus, no adjustment is made to the forecast.

FY 2022: Notes 1 and 2 represent legislative actions approved during the 2019 Legislative Session.

[1-22] Section 1 of A.B. 512 provides a General Fund appropriation of $2,138,800 in FY 2020 to the Division of Enterprise Information Technology Services of the Department of Administration for the implementation of an enterprise cloud electronic mail and business productivity application. The legislatively approved repayment of this appropriation is 25 percent of the amount appropriated per year, beginning in FY 2022.

[2-22] Section 2 of A.B. 512 provides a General Fund appropriation of $4,186,202 in FY 2020 to the Division of Enterprise Information Technology Services of the Department of Administration for the replacement of firewalls. The legislatively approved repayment of this appropriation is 25 percent of the amount appropriated per year, beginning in FY 2022.

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.

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. The amounts shown for FY 2021, FY 2022, and FY 2023 are based on information provided by GOED.

DESCRIPTION	FY 2018 ACTUAL	% Change	FY 2019 ACTUAL	% Change	FY 2020 ACTUAL	% Change	ECONOMIC FORUM DECEMBER 3, 2020, FORECAST FY 2021 FORECAST	% Change	FY 2022 FORECAST	% Change	FY 2023 FORECAST	% Change

[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 $0 per fiscal year for FY 2021, FY 2022, and FY 2023, because the entirety of the $195 million in transferrable tax credits that could be authorized pursuant to S.B. 1 have been awarded and used.

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. Because there are currently no eligible projects under this program, the forecast for these tax credits is $0 per fiscal year for FY 2021, FY 2022, and FY 2023.

[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, based on a percentage of the qualified investment, as follows:

2 years after the investment is made: 12%; 3 years after the investment is made: 12%; 4 years after the investment is made: 12%; 5 years after the investment is made: 11%; and 6 years after the investment is made: 11%.

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 for FY 2019 and FY 2020 reflect estimates of the amount of tax credits that will be taken in each fiscal year based on information provided by the Department of Business and Industry and the Department of Taxation.

Pursuant to A.B. 446 (2019), an additional $200 million in qualified equity investments may be certified by the Department of Business and Industry, effective July 1, 2019, with a total of $116 million of credits that may be taken based on the increment percentages originally approved in S.B. 357 (2013). However, pursuant to A.B. 446, no credits may be taken against the Insurance Premium Tax before July 1, 2021 (FY 2022).

[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. The forecast for FY 2019 is based on the amount of this $20 million that was awarded in FY 2018, but not used against the MBT in that fiscal year, plus the maximum amount of annual credits allowed based on the statutory formula adopted in A.B. 165 (2015). The forecasts for FY 2020 and FY 2021 are based on the maximum amount of annual credits allowed based on the statutory formula in A.B. 165 only.

A.B. 458 (2019) permanently eliminated the 10 percent increase in the amount of credits that may be authorized in each year, capping the total amount that may be authorized in each year at $6,655,000 beginning in FY 2020. The bill additionally clarified that the $6,655,000 limit per year applies to the combined credits that may be taken under both chapters of the MBT (Chapters 363A and 363B), rather than as a separate limit for each chapter.

S.B. 551 (2019) authorized an additional $4,745,000 in credits against the MBT (Chapters 363A and 363B combined) under this program per year in FY 2020 and FY 2021 beyond those that were authorized in those years based on the provisions of A.B. 458 (2019). Any amount of the $4,745,000 million in credits that is not approved by the Department in each fiscal year may be issued in future fiscal years. The forecast for FY 2021 is based on the maximum amount of $6,655,000 allowed pursuant to A.B. 458 (2019) plus the additional $4,745,000 per year authorized under S.B. 551 (2019), plus any amounts previously approved by the Department but not yet taken against the tax.

[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.

[TC-7] S.B. 448 (2019) authorizes the Housing Division of the Department of Business and Industry (Division) to approve a total of $40 million of transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. Under the provisions of S.B. 448, the Division may award up to $10 million in transferable tax credits per year to persons who develop affordable housing projects in Nevada over the four years of the pilot program, but may award an additional $3 million in credits in any fiscal year if the issuance of the credits is necessary for the development of additional affordable housing projects in the state. If the Division approves any credits in excess of $10 million in a fiscal year, the amount to be awarded in the next fiscal year must be reduced by the amount in excess of $10 million that was issued in the previous fiscal year. If the Division does not issue all of the $10 million in credits authorized in a fiscal year, that amount is carried forward and may be issued in a subsequent fiscal year.