

**FISCAL ANALYSIS DIVISION
FORECAST INFORMATION PACKET**

**FY 2011, FY 2012 and FY 2013
GENERAL FUND REVENUE FORECASTS for
GAMING PERCENTAGE FEES,
LIVE ENTERTAINMENT TAX – GAMING,
STATE 2% SALES/USE TAX,
INSURANCE PREMIUM TAX,
MODIFIED BUSINESS TAX – NONFINANCIAL AND FINANCIAL,
REAL PROPERTY TRANSFER TAX,
AND ROOM TAX**

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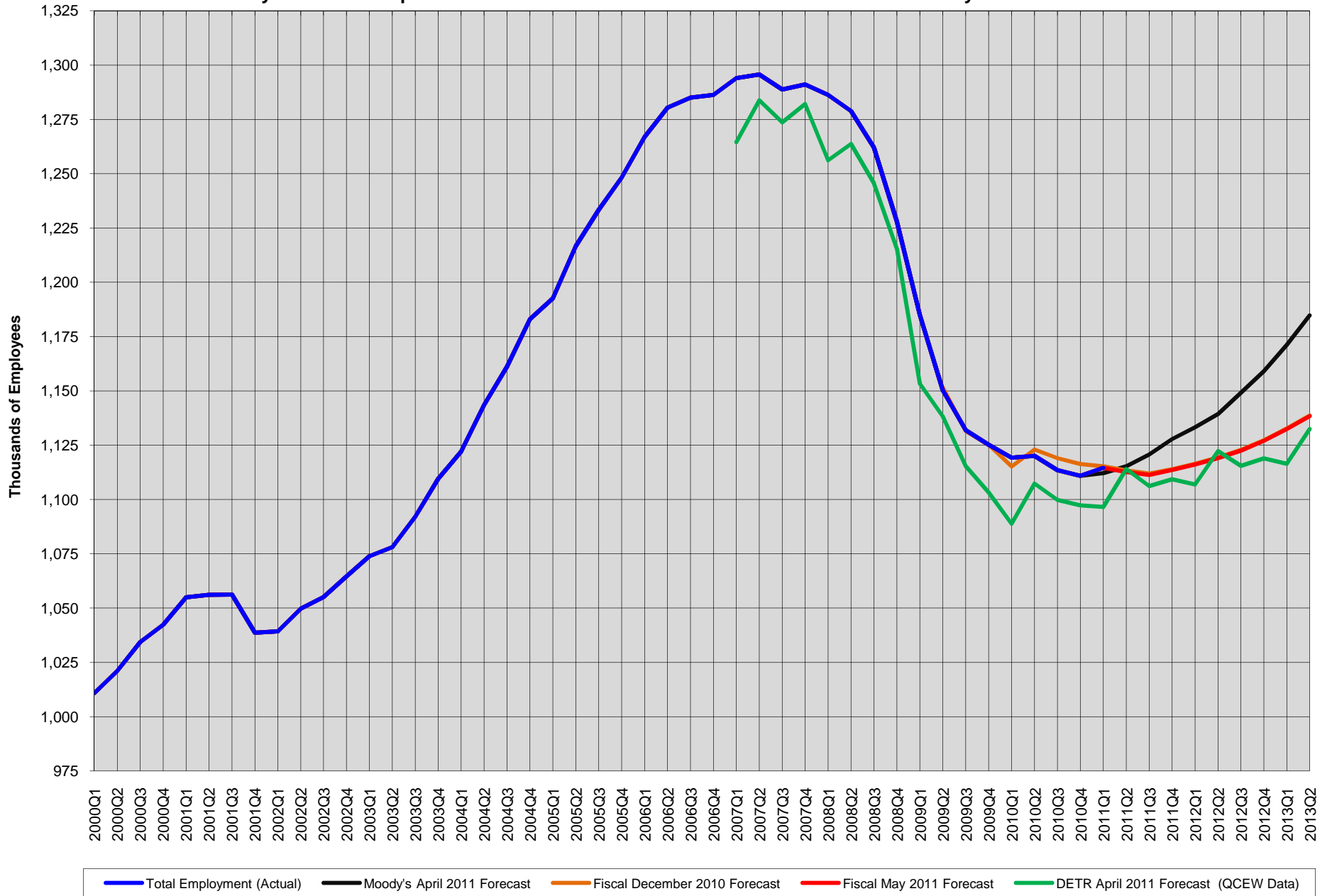


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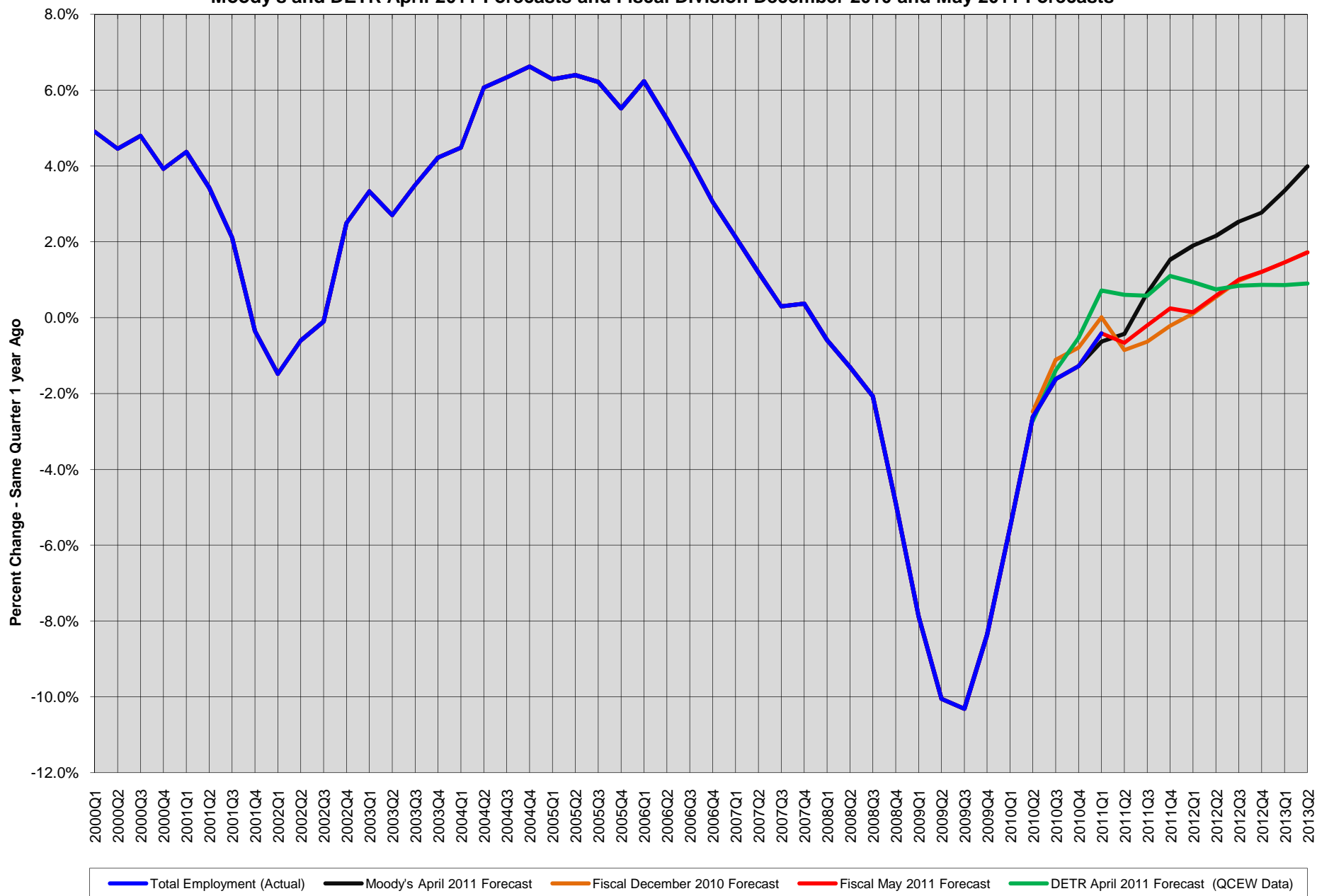


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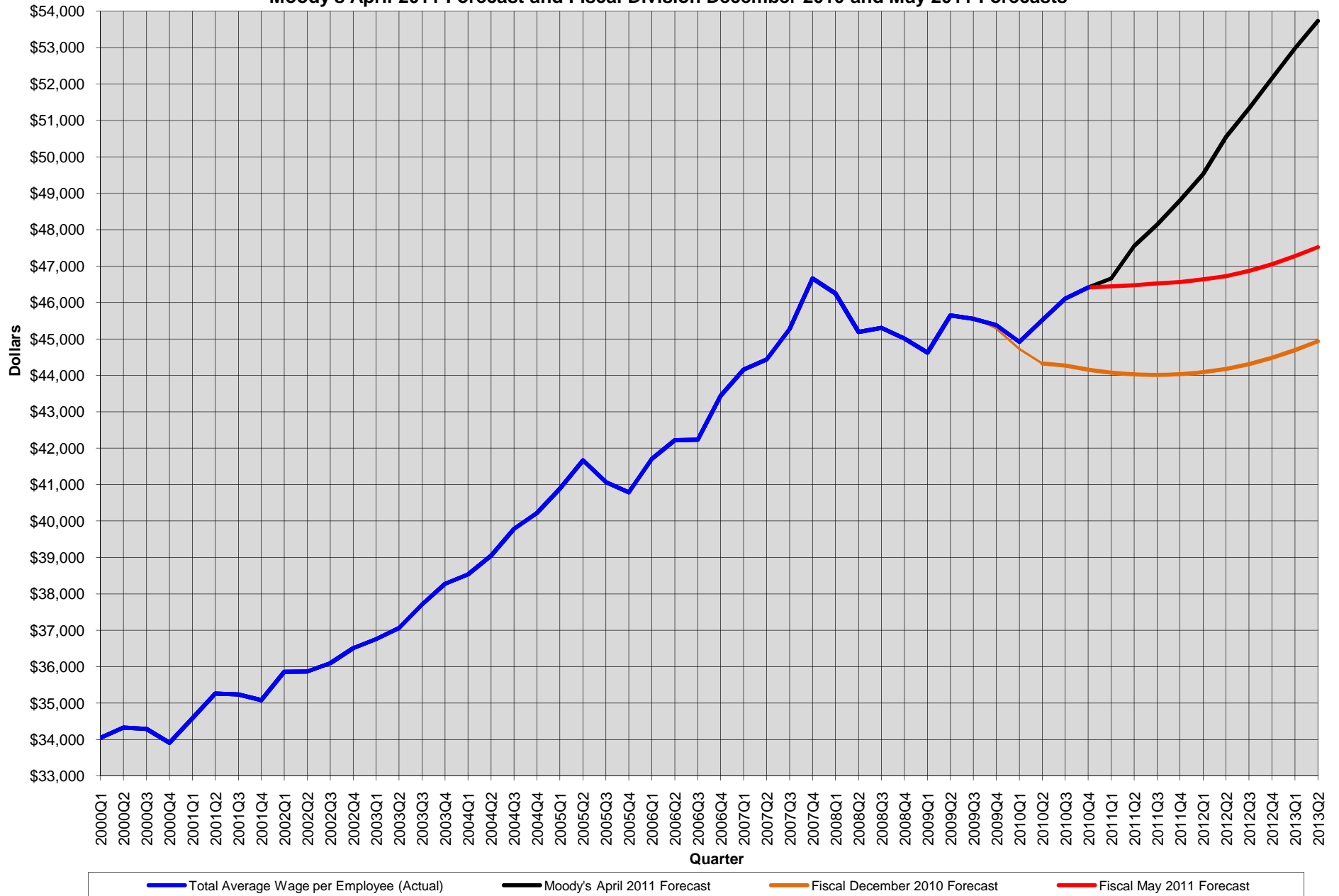


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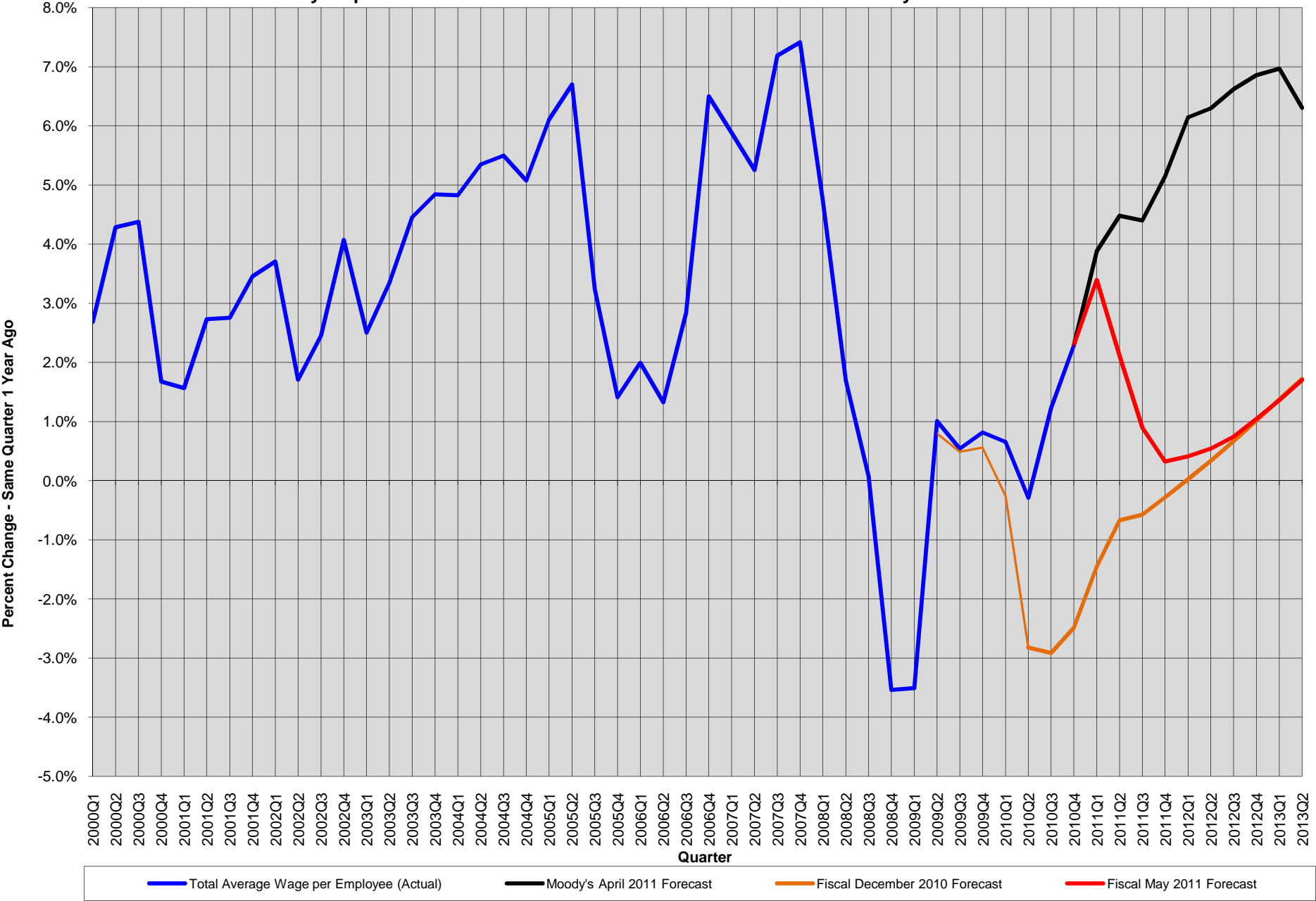


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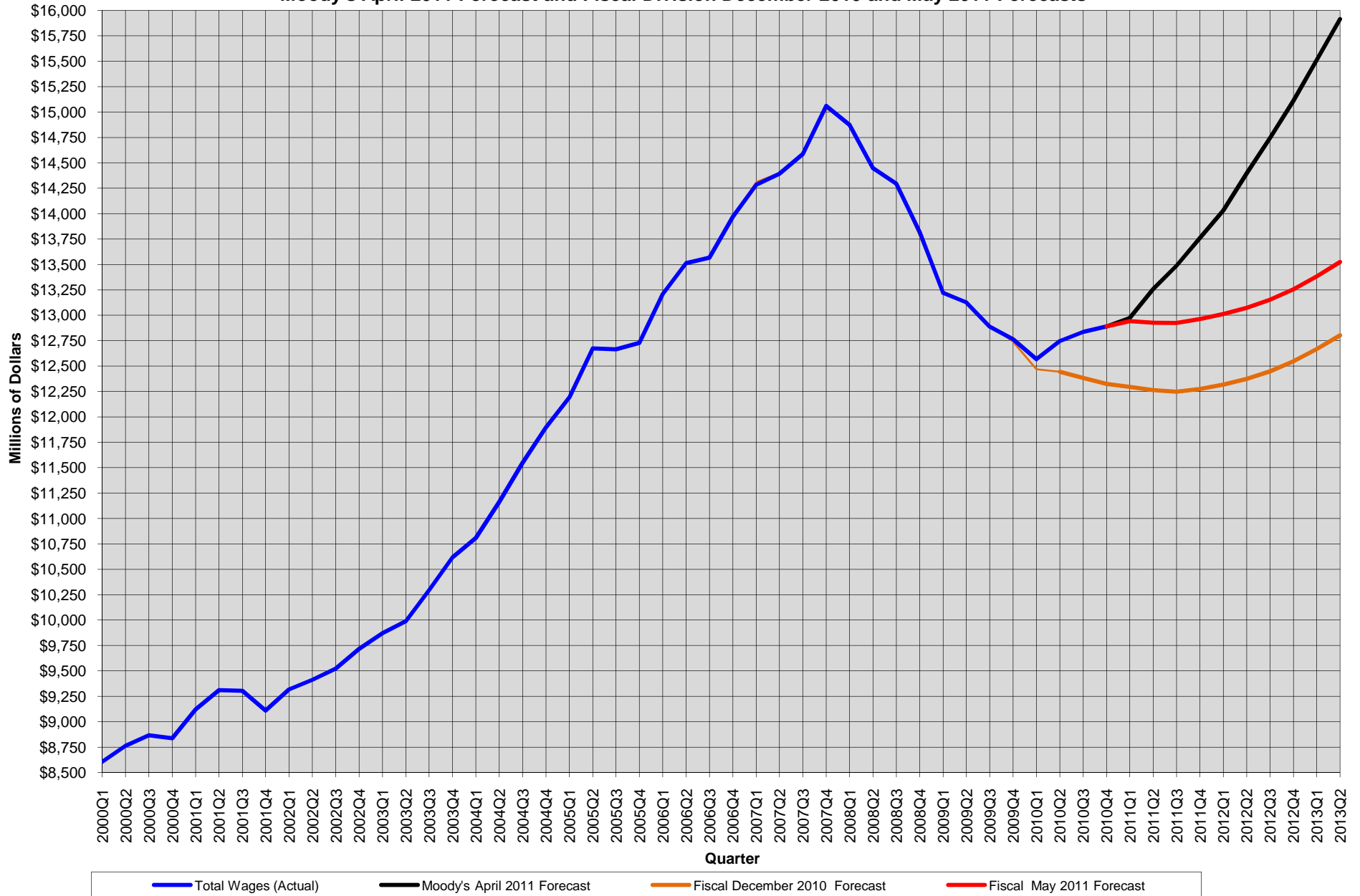


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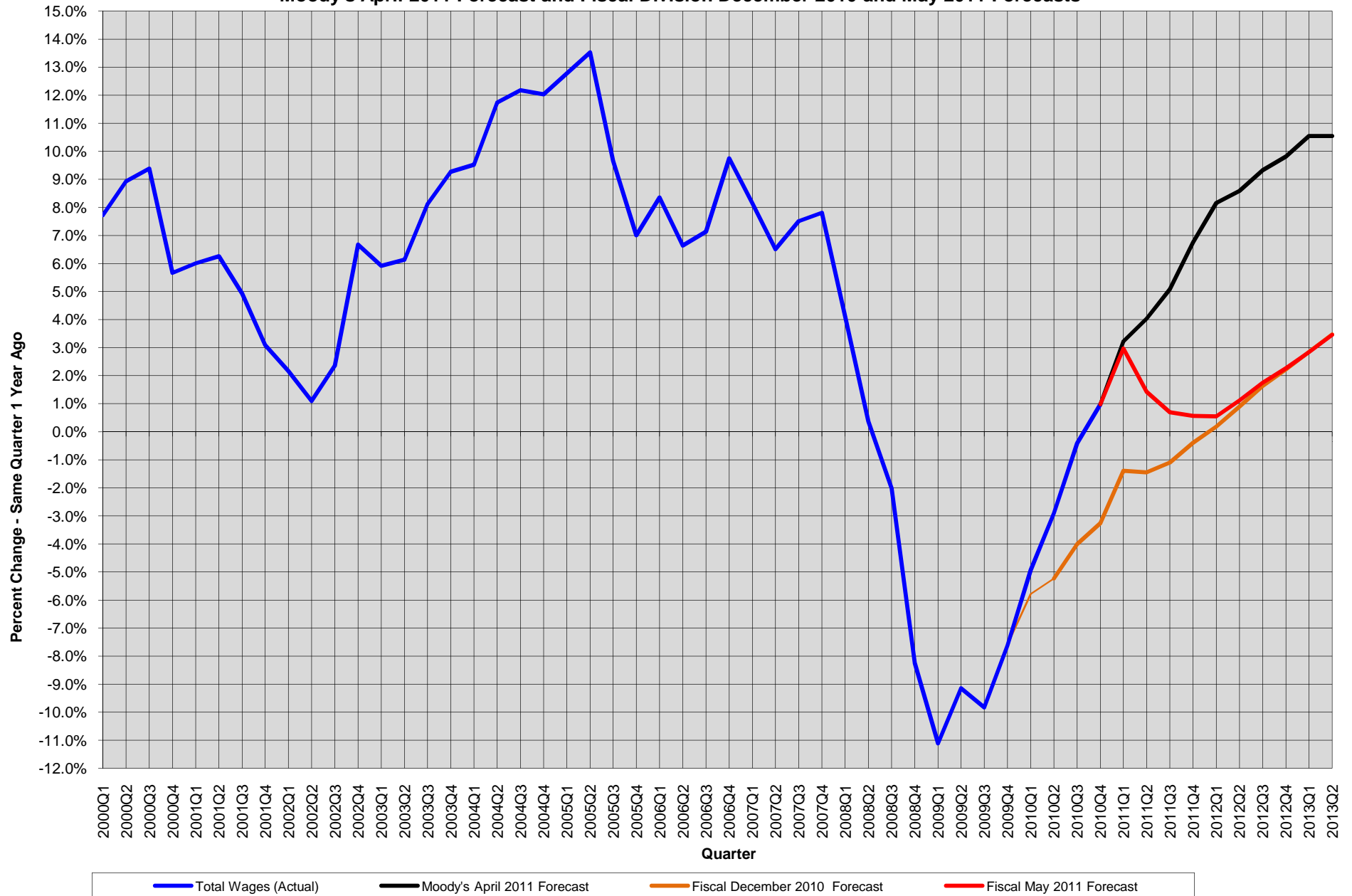


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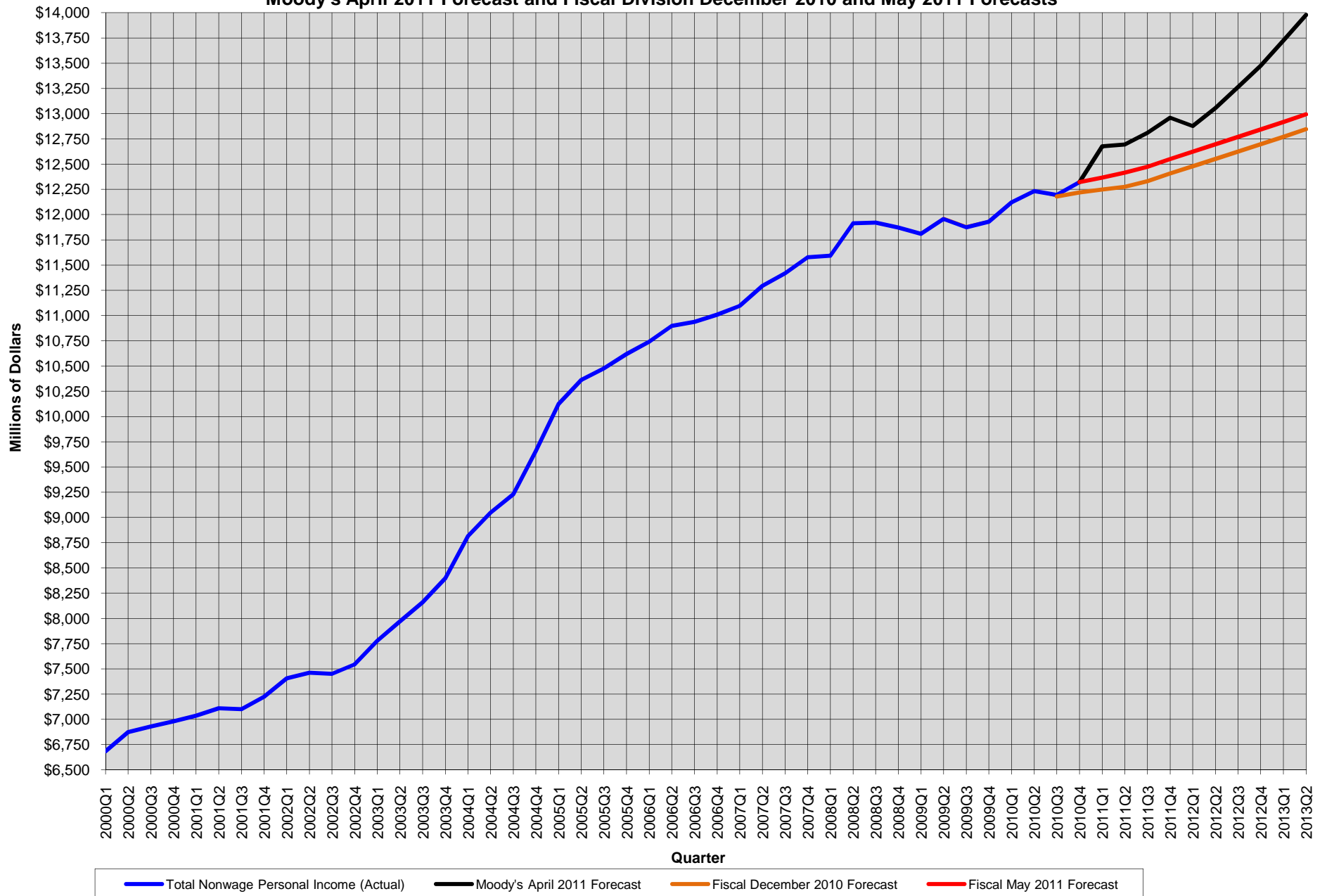


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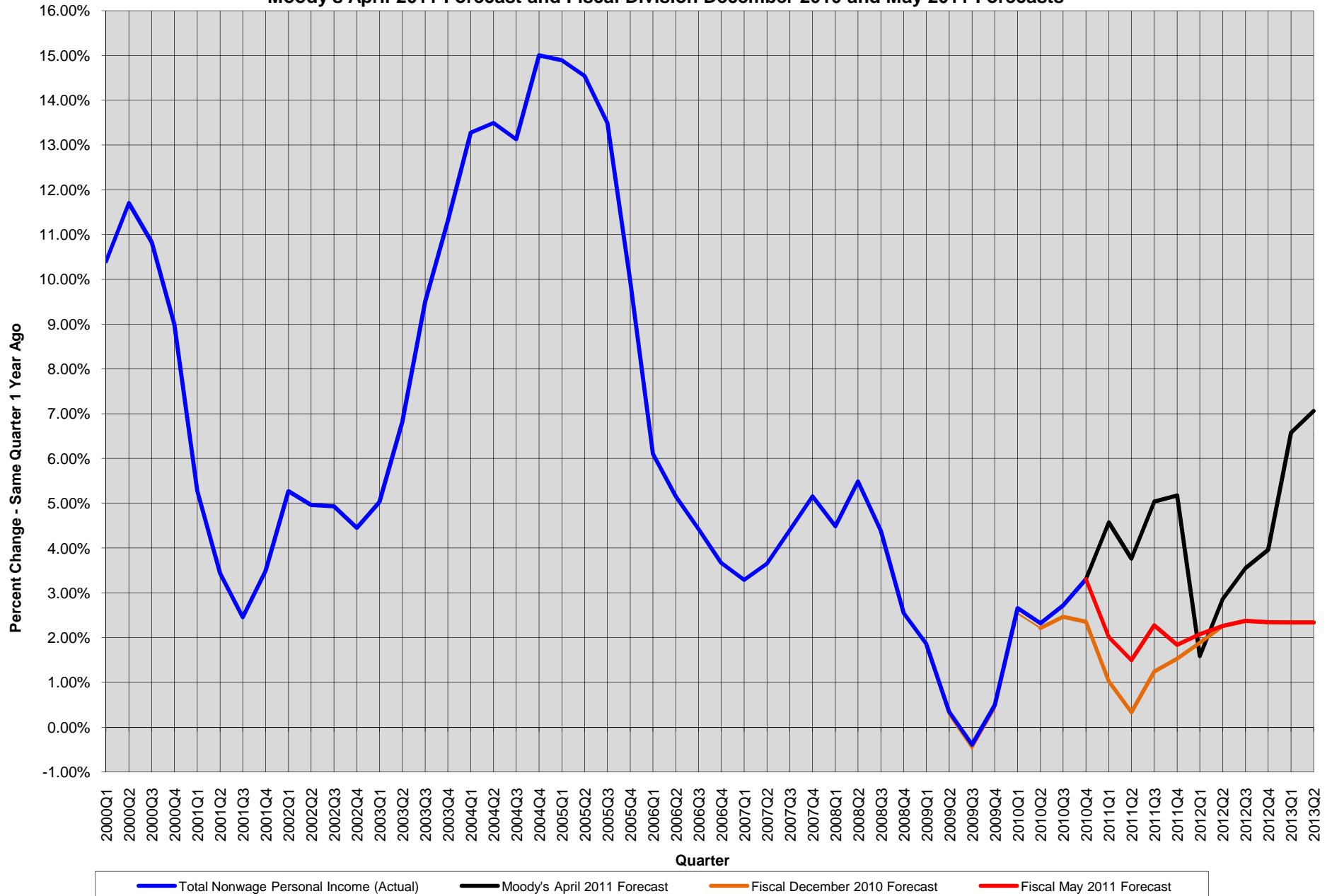


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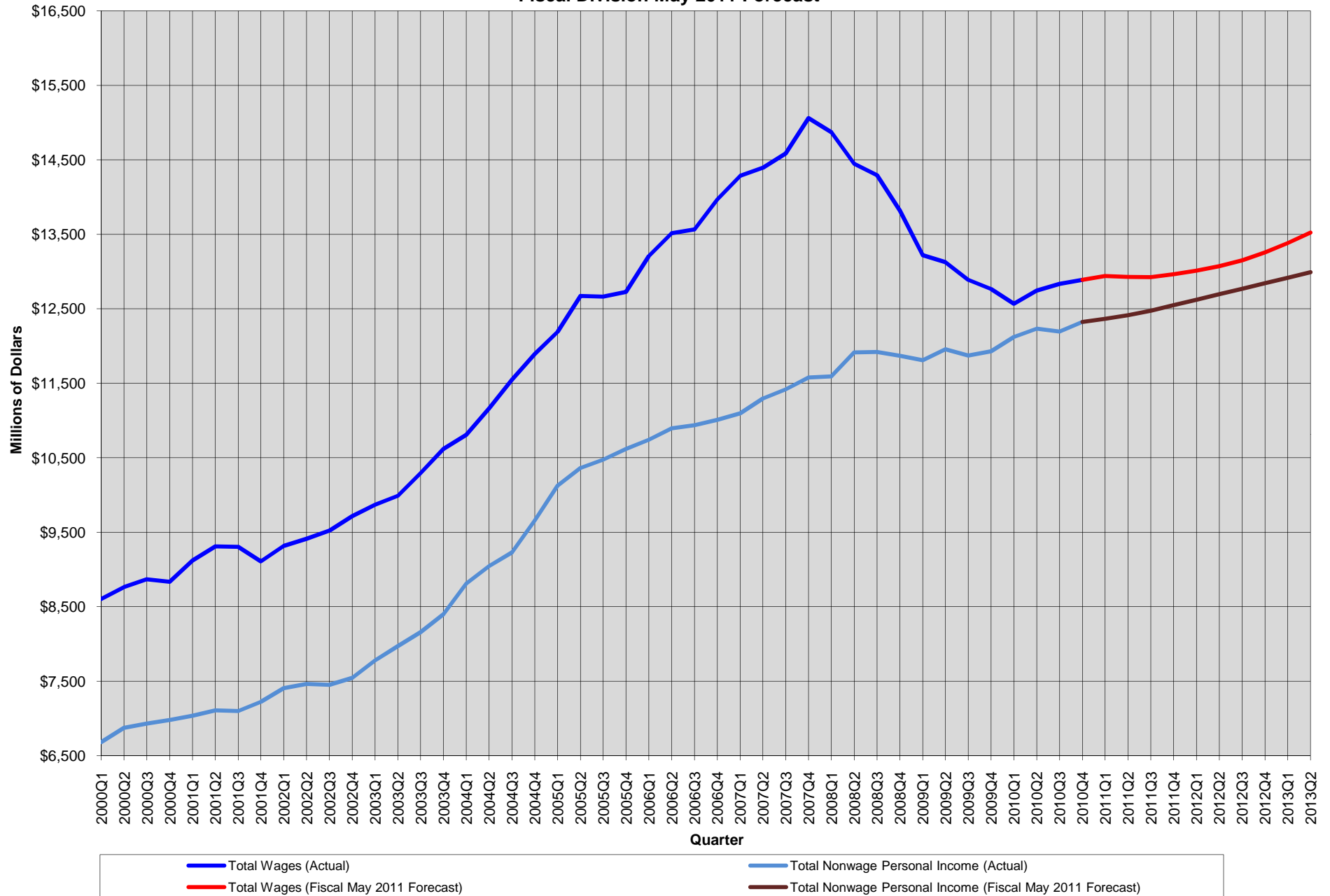


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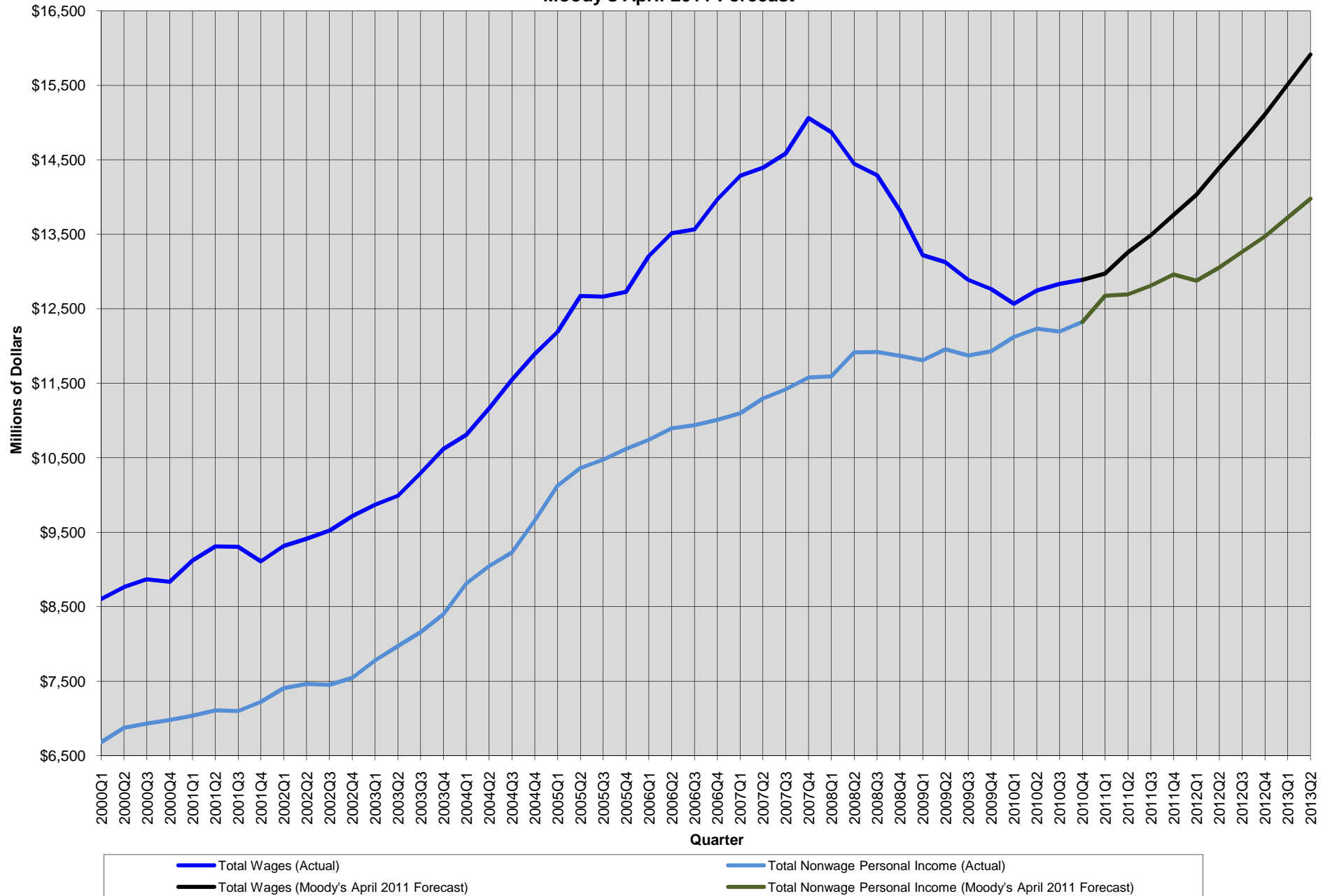


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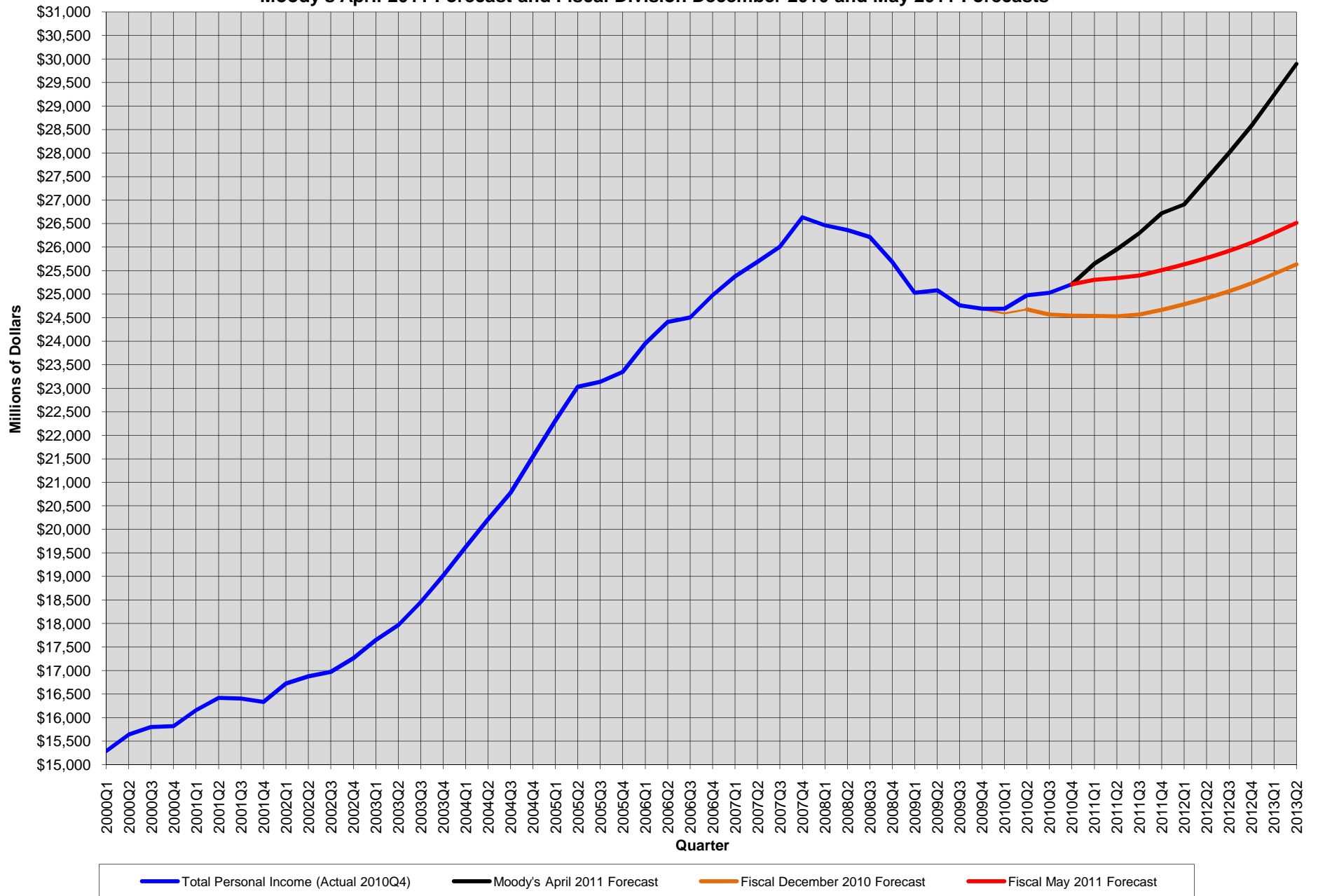


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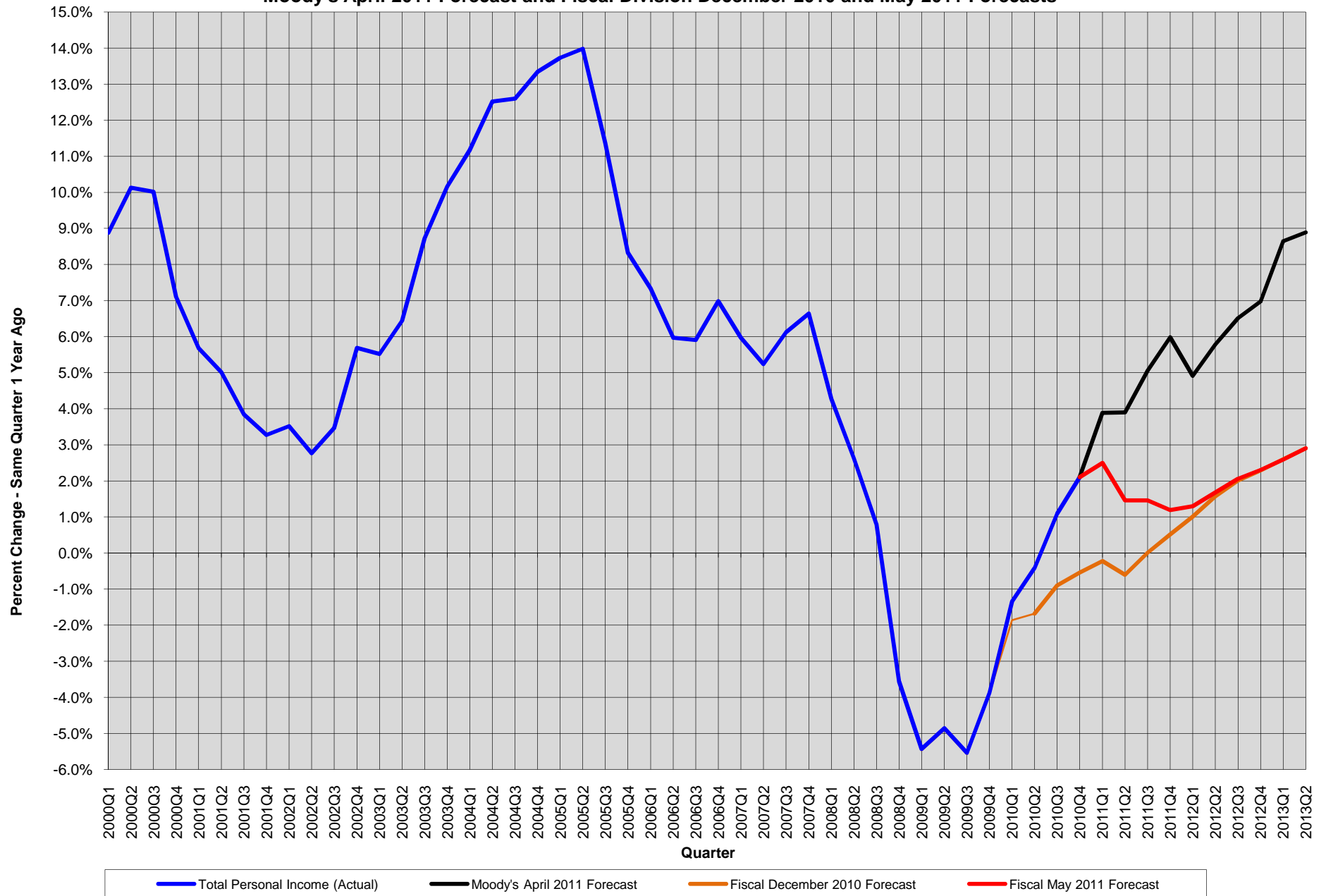


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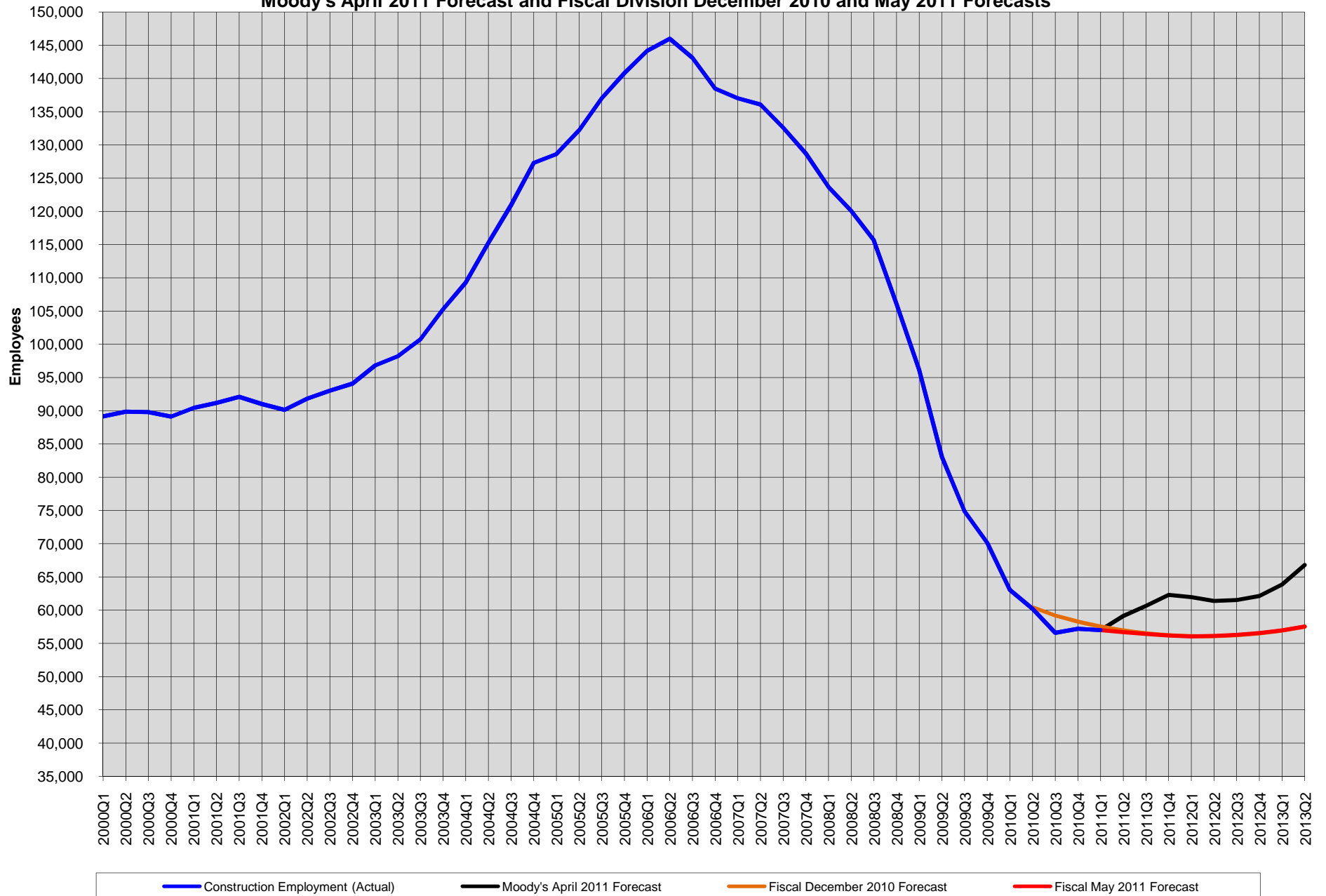


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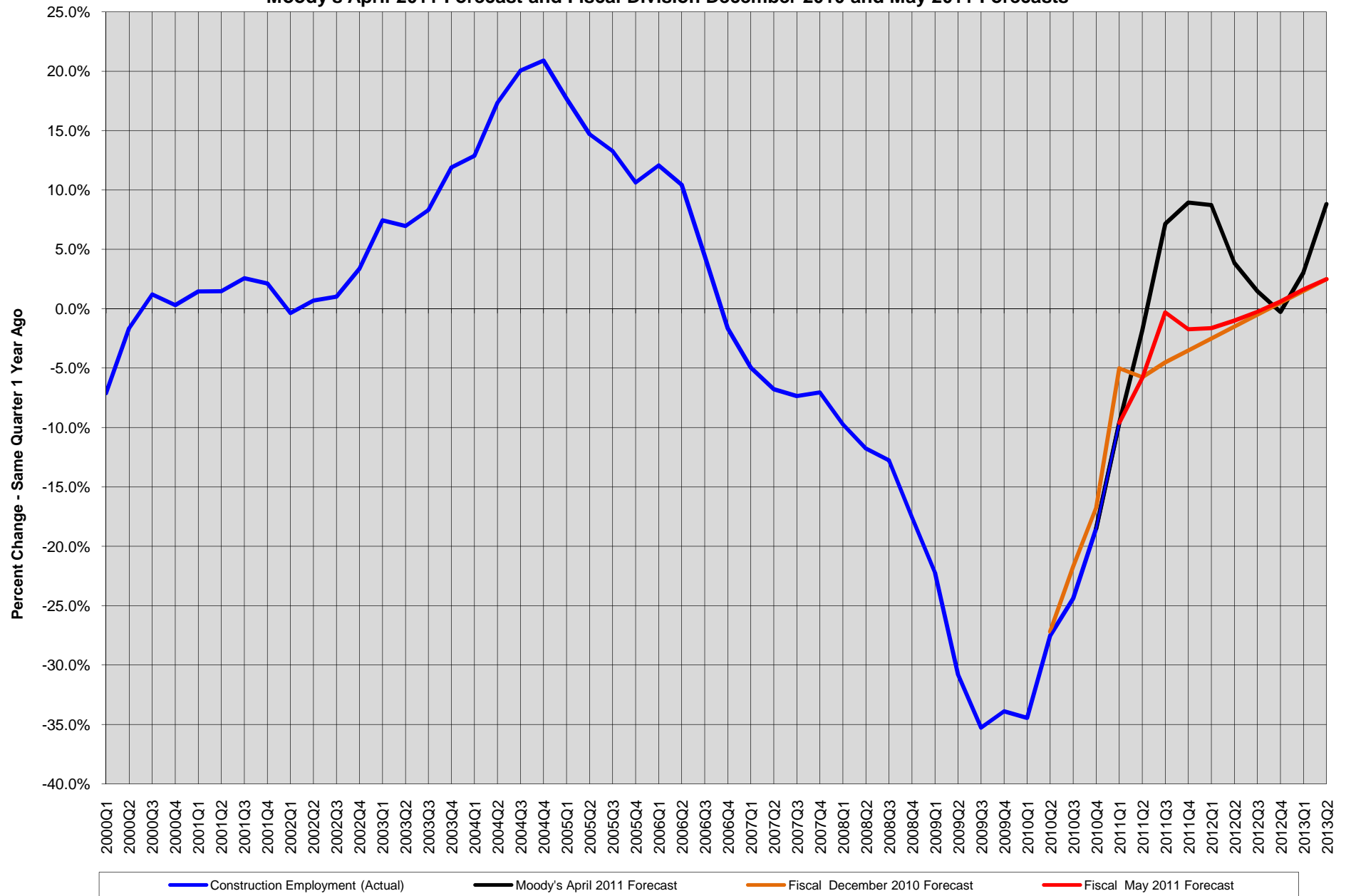


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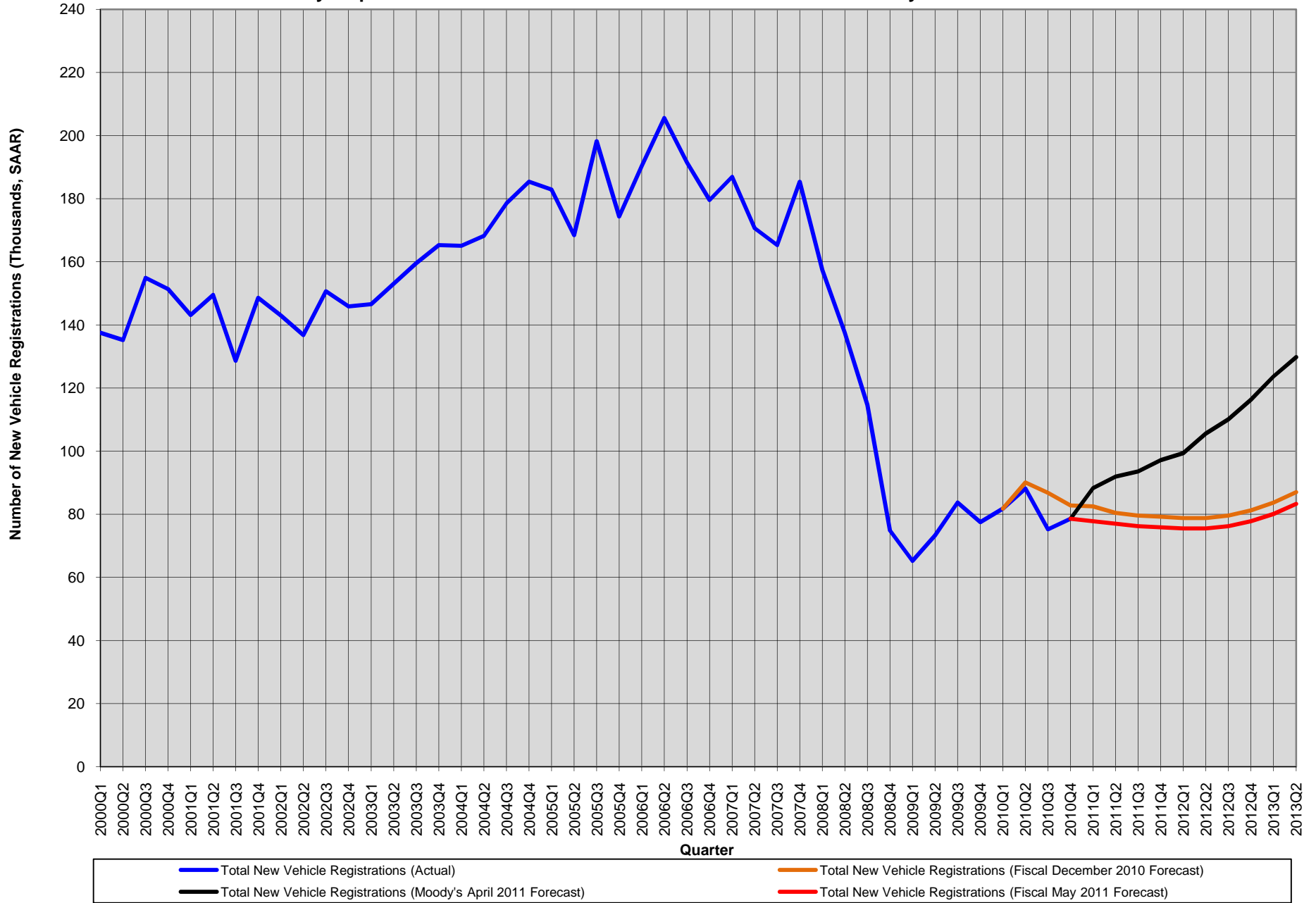


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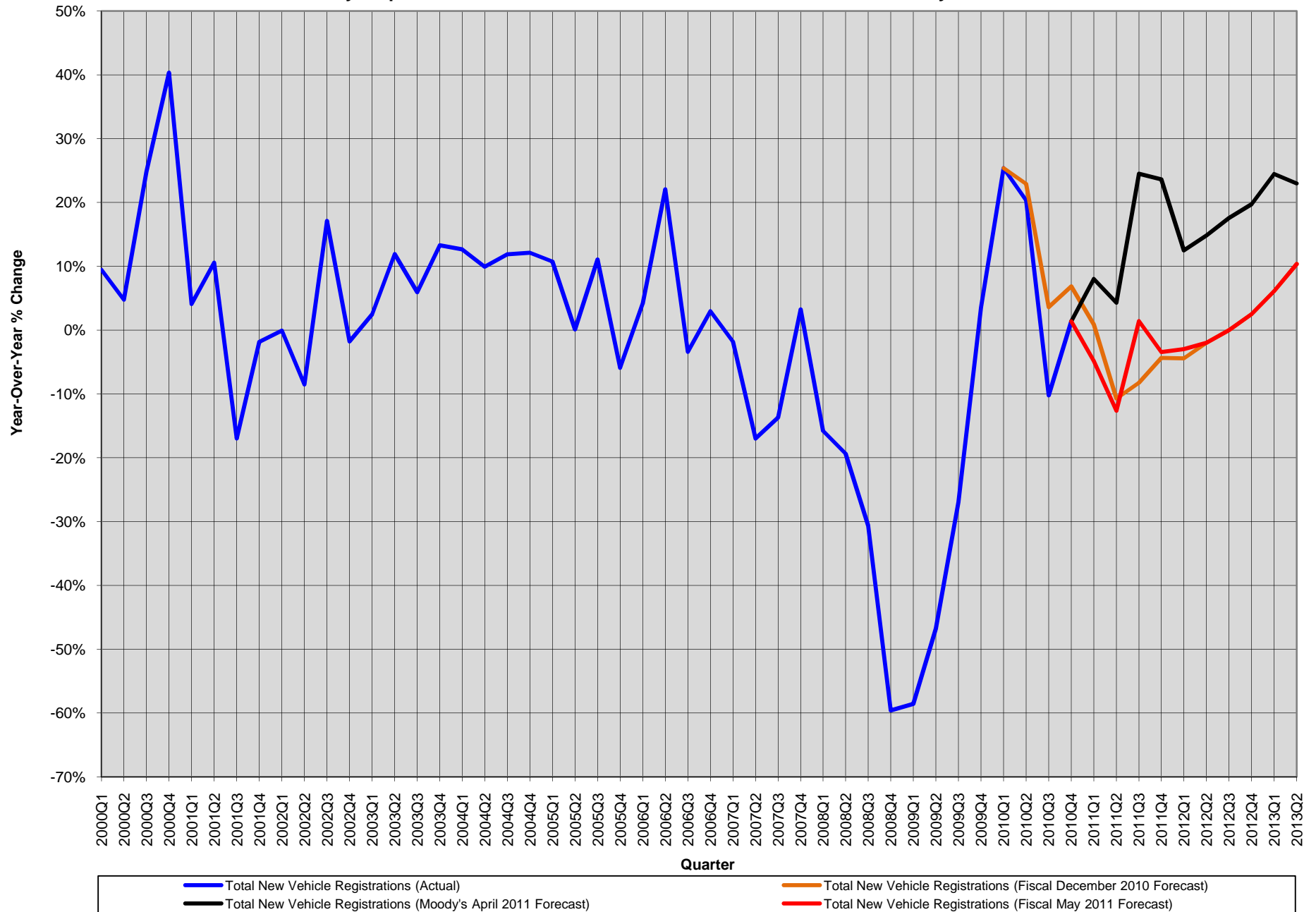


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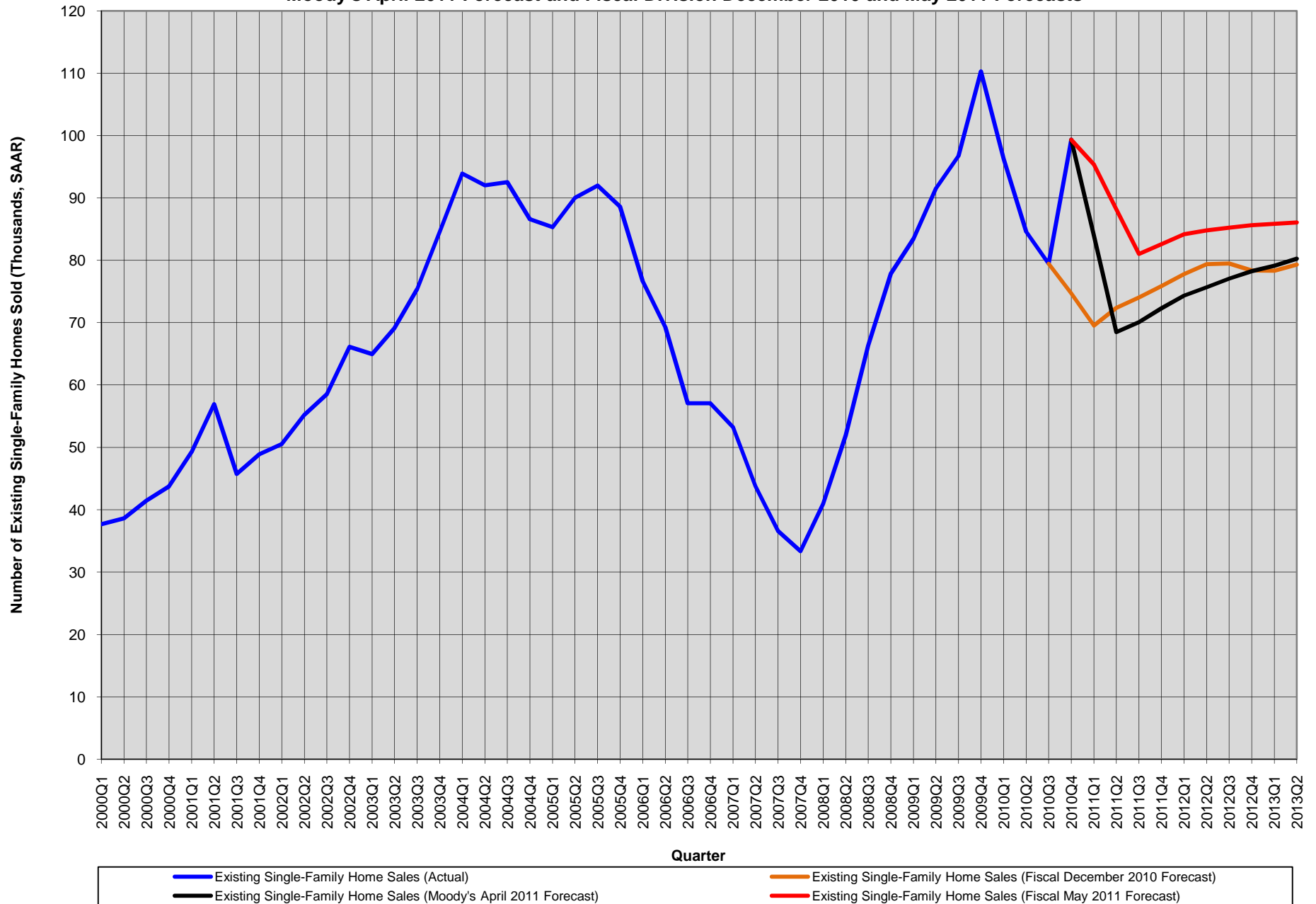


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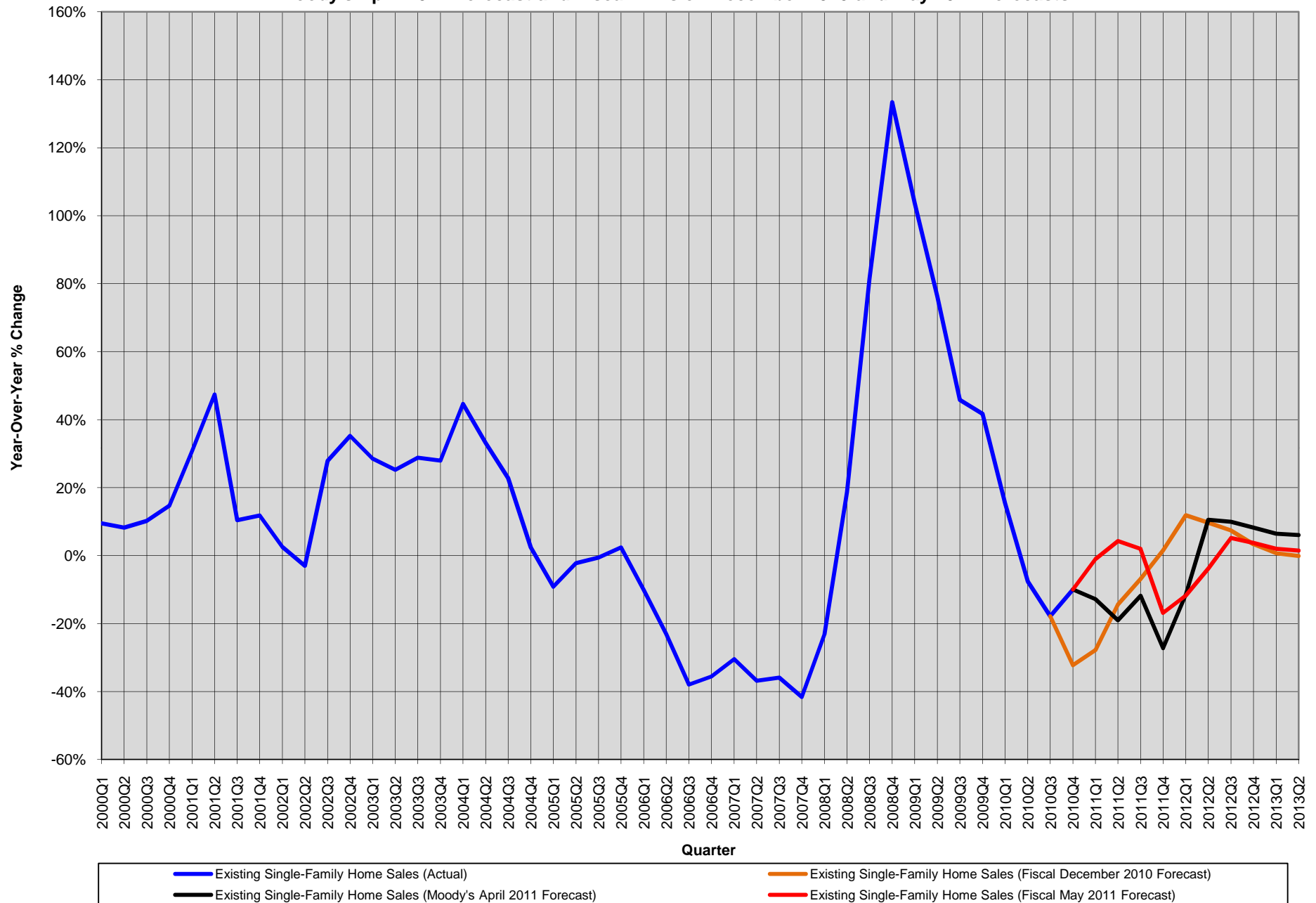


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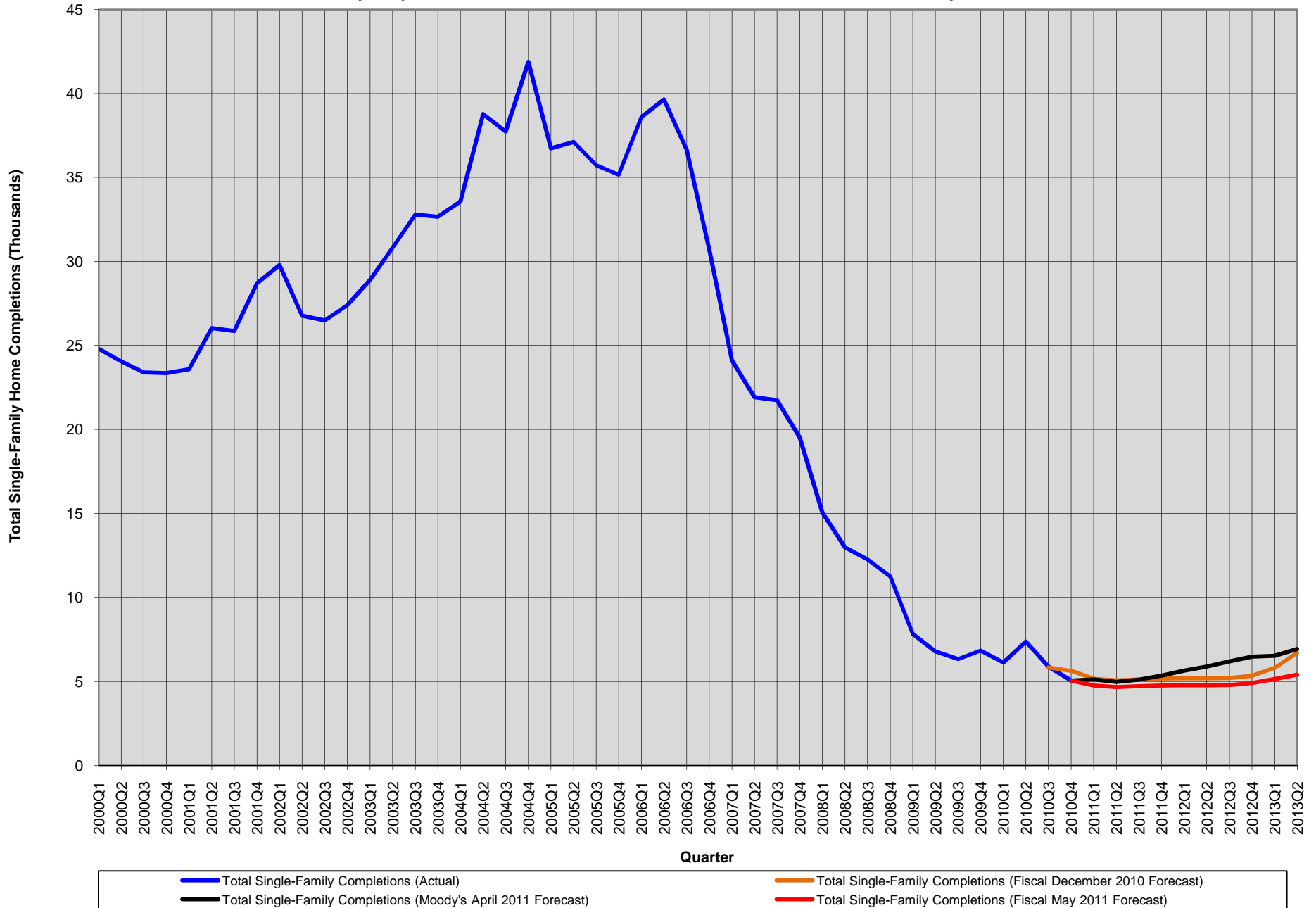


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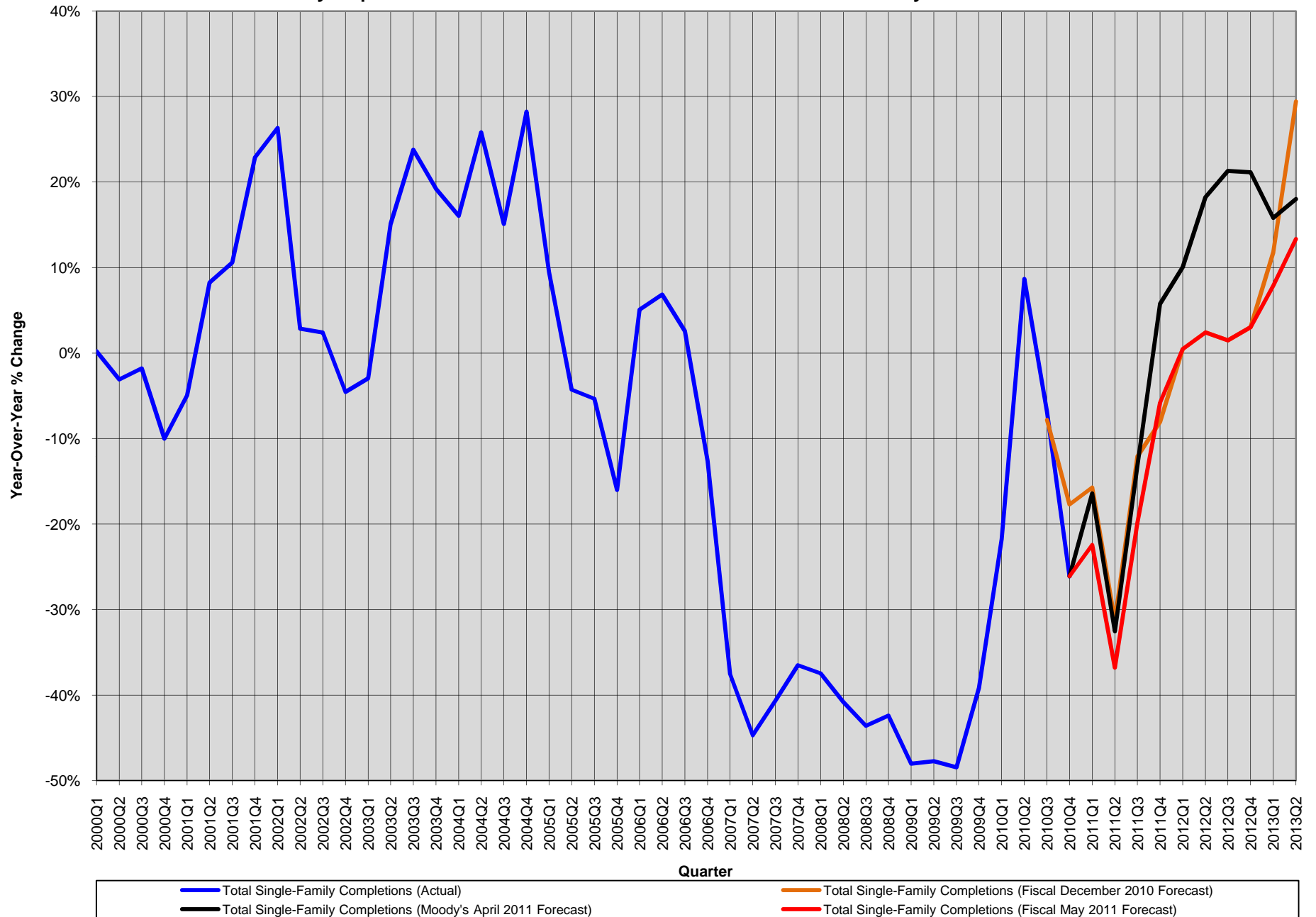


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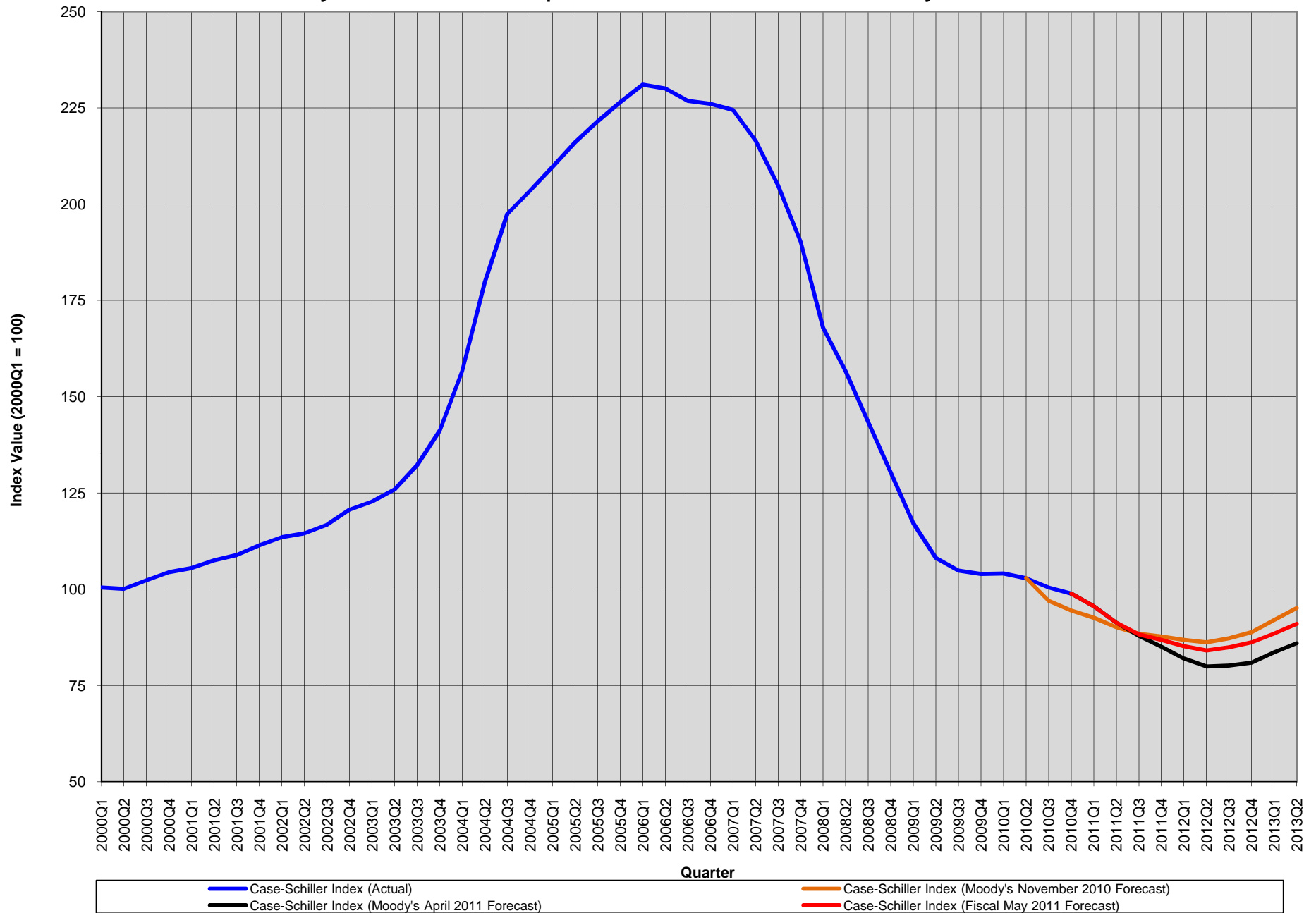


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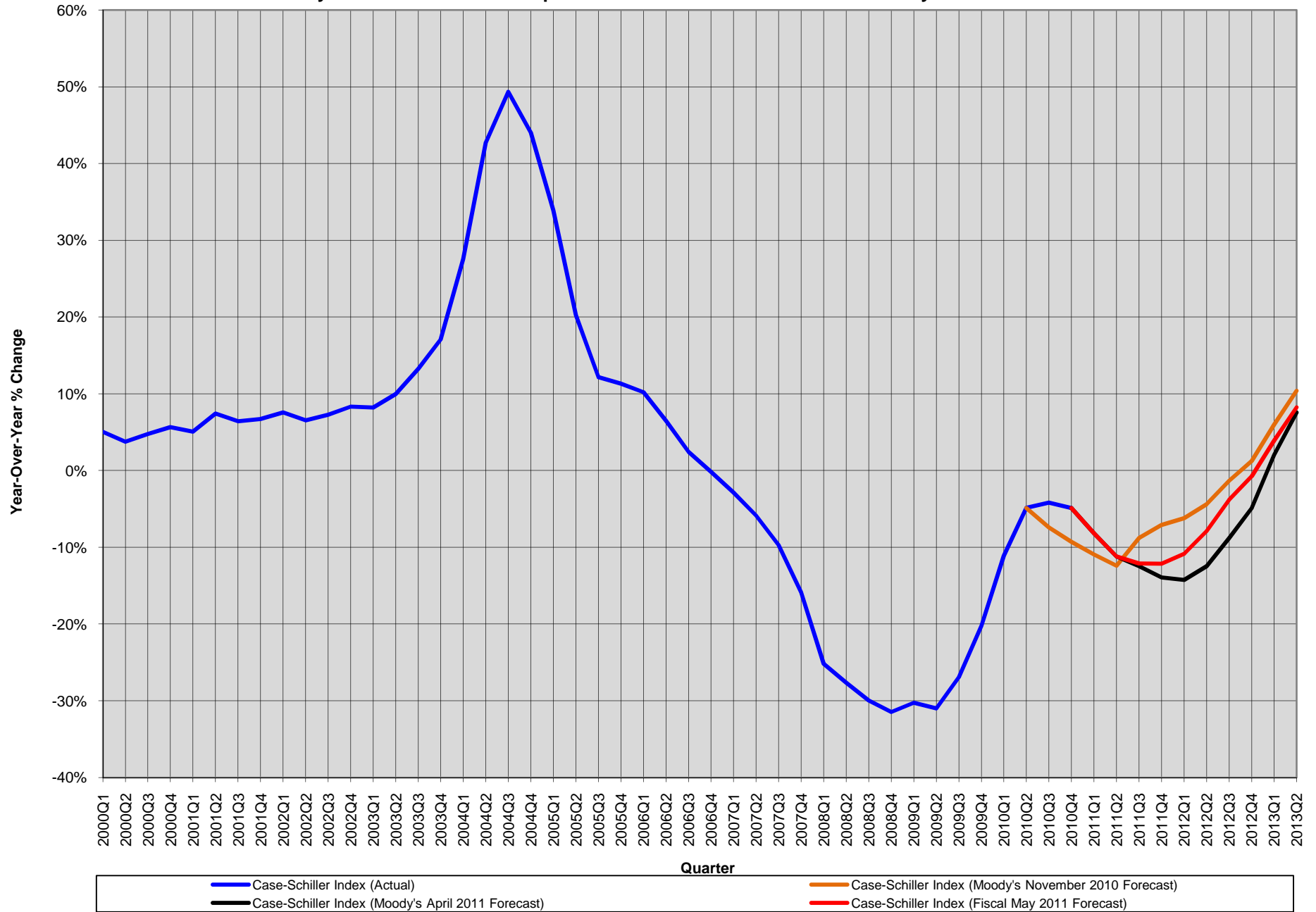


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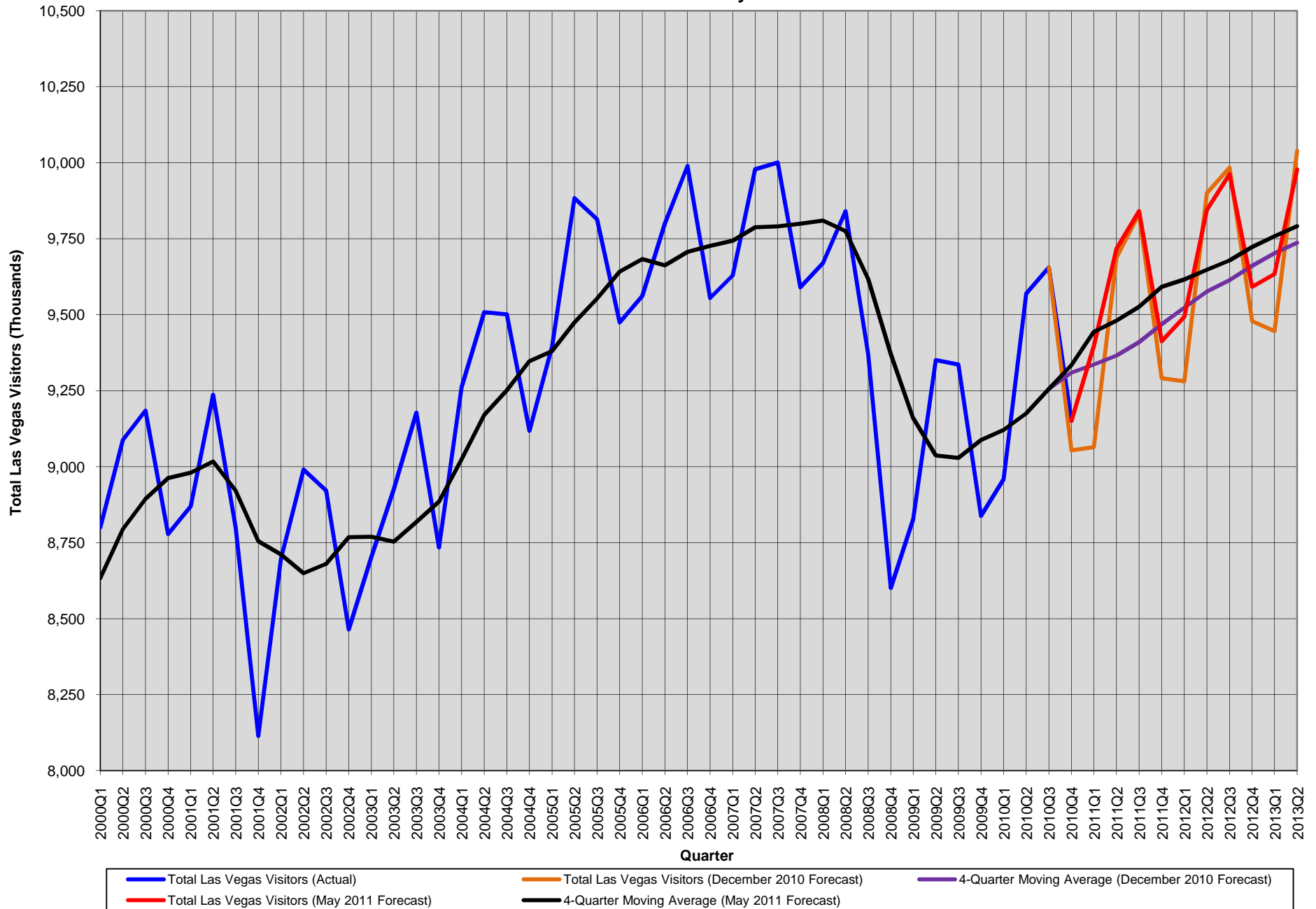


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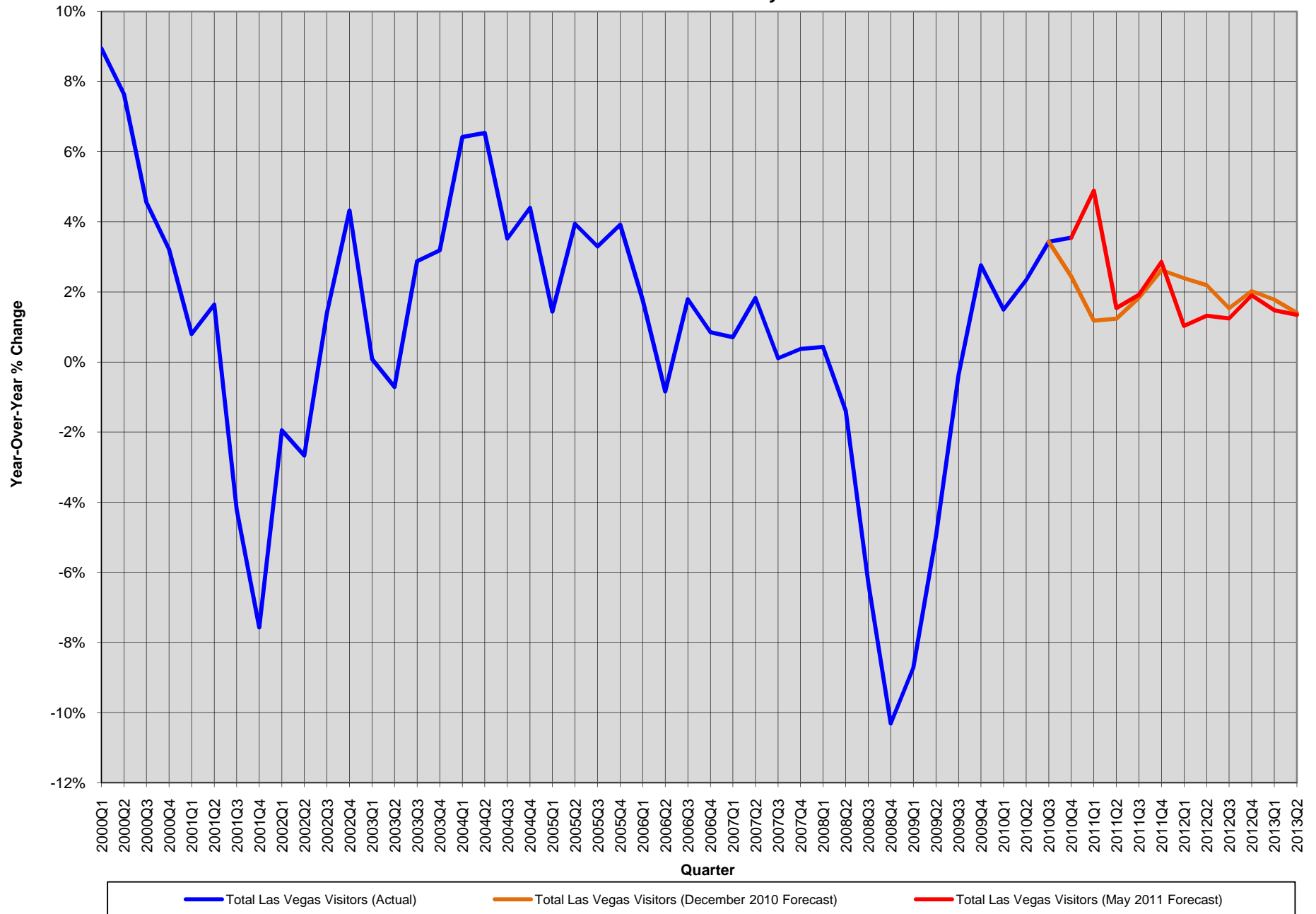


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Las Vegas Average Room Occupancy Rate
Fiscal Division December 2010 and May 2011 Forecasts

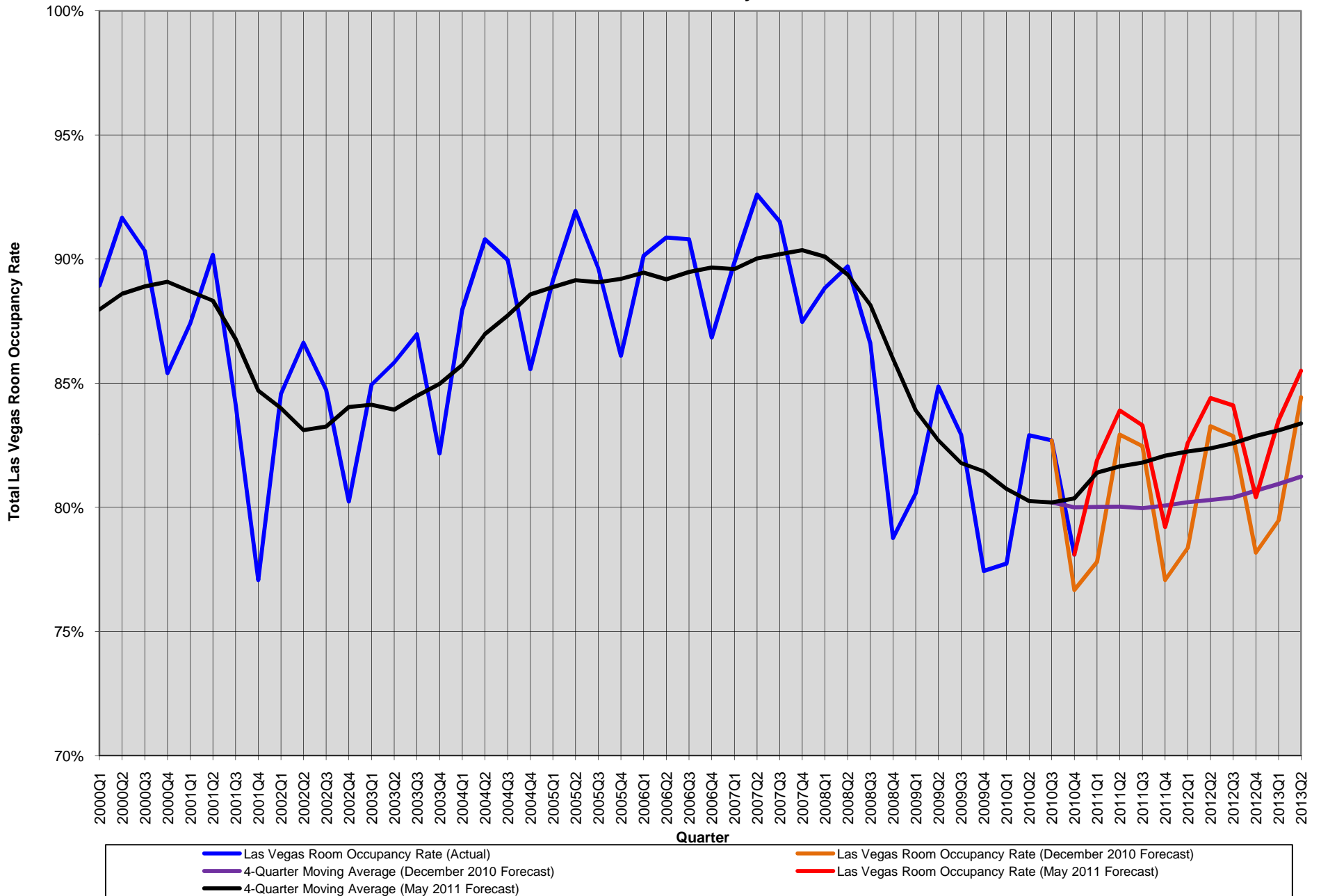


CHART 13B - GROWTH RATES
Comparison of Actual Historical Data and Forecasts for
Las Vegas Average Room Occupancy Rate
Fiscal Division December 2010 and May 2011 Forecasts

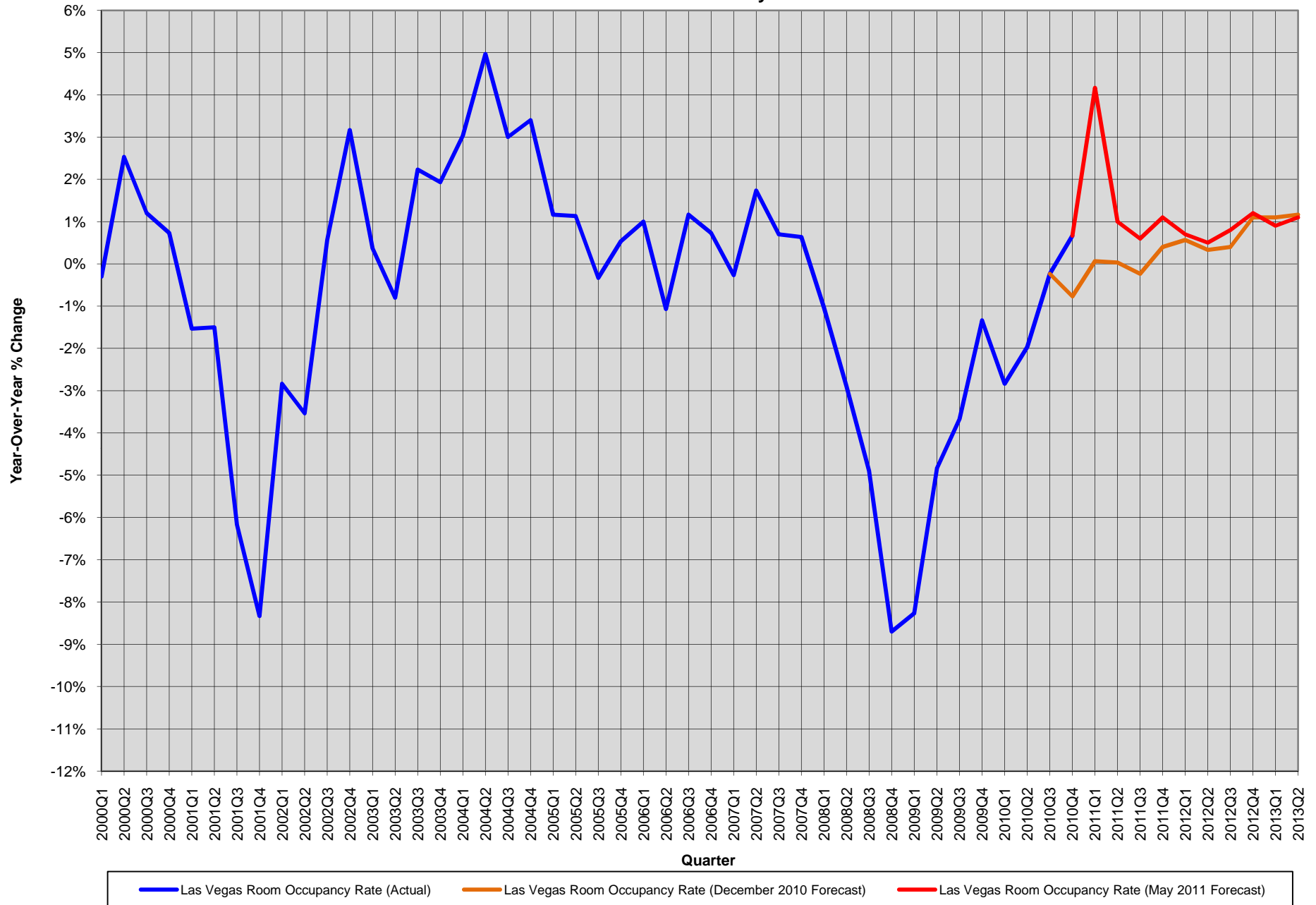


CHART 14A - LEVELS
Comparison of Actual Historical Data and Forecasts for
U.S. Consumer Price Index (All Urban Consumers, 1982-84 = 100)
Moody's November 2010 and April 2011 Forecasts

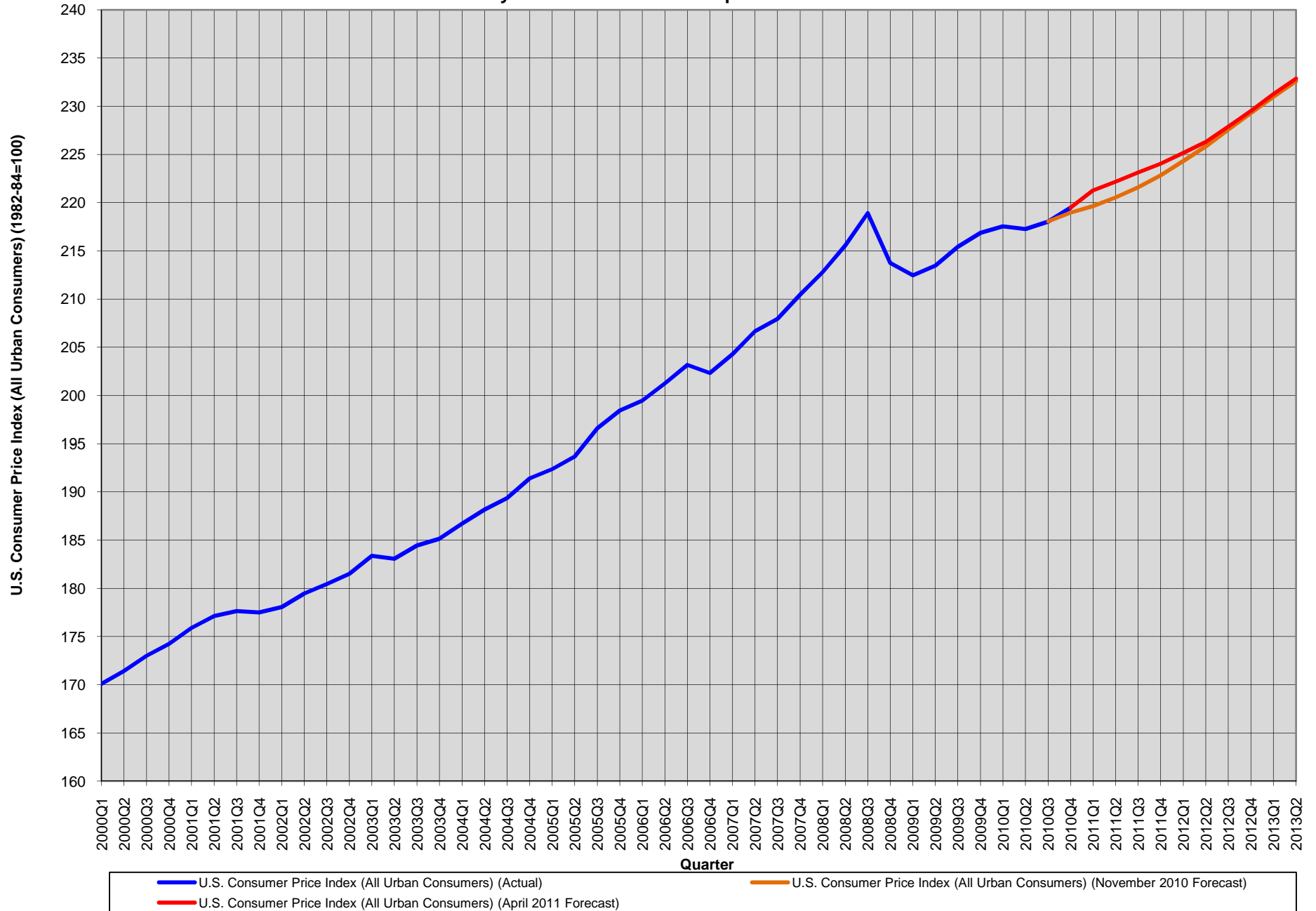
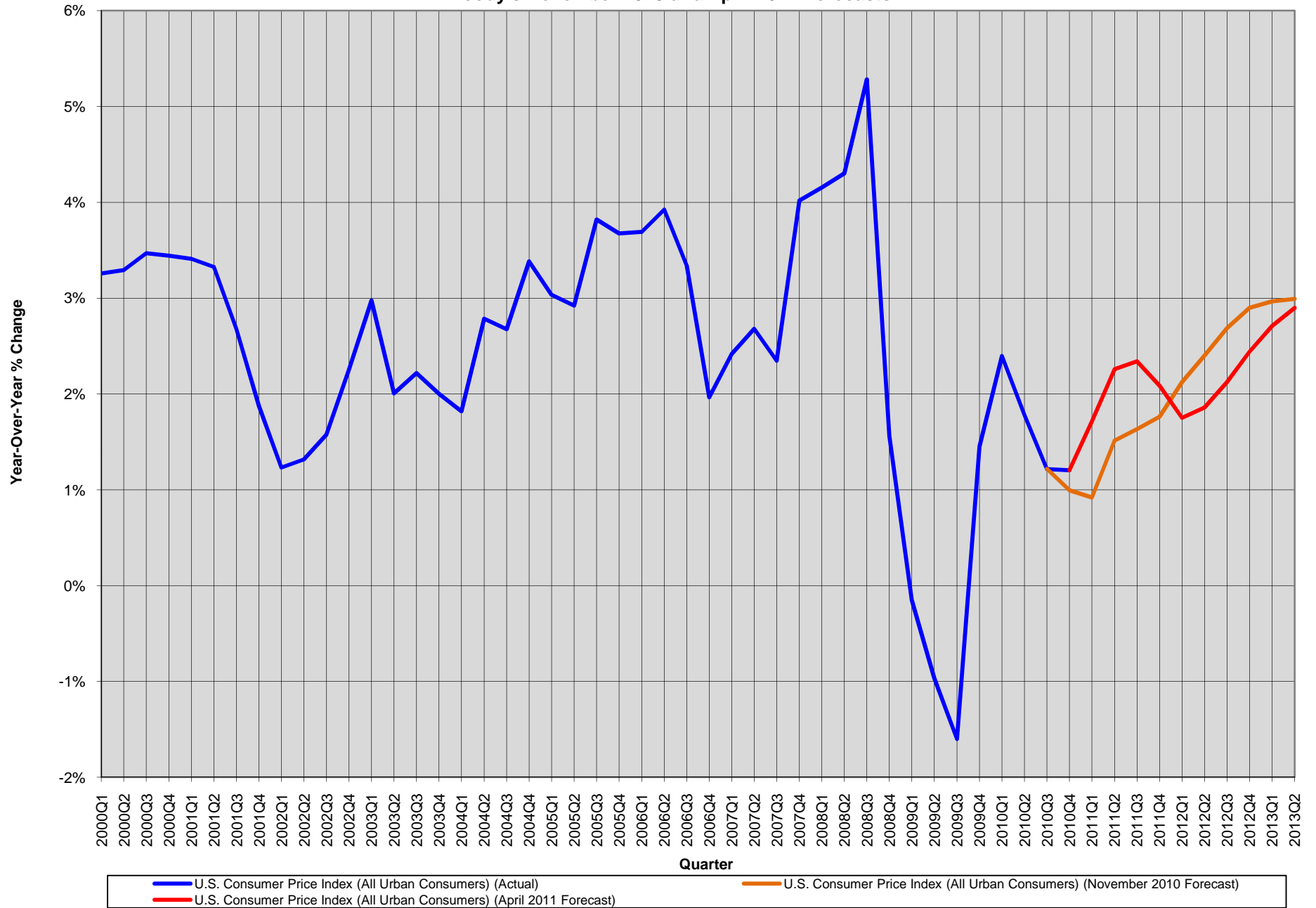
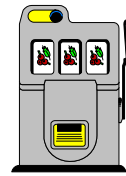


CHART 14B - GROWTH RATES
Comparison of Actual Historical Data and Forecasts for
U.S. Consumer Price Index (All Urban Consumers, 1982-84 = 100)
Moody's November 2010 and April 2011 Forecasts



GAMING PERCENTAGE FEE COLLECTIONS FORECAST

prepared for: **Nevada Economic Forum**
by: **LCB-Fiscal Analysis Division**
date: **May 2, 2011**



The FY 2011, FY 2012, and FY 2013 Forecast

The Fiscal Analysis Division forecasts gaming percentage fee collections to increase by 3.5% in FY 2011 to \$652.5 million, increase by 2.7% in FY 2012 to \$670.3 million, and increase by 3.5% in FY 2013 to \$694.0 million.

Tax Overview

- Total percentage fee collections reported by the Gaming Control Board consist of two components: the portion collected from taxable gaming revenues (TGR) each month and an estimated fee adjustment (EFA) amount. The EFA represents a reconciliation that occurs each month based on the actual tax liability for the current month compared to the estimated payment for the current month that is based on the actual tax liability from taxable gaming revenue from three months ago.
- The tax rate on monthly taxable gaming revenue (TGR) is 3.5% up to \$50,000 in TGR; 4.5% on TGR exceeding \$50,000 up to \$134,000; and 6.75% on all TGR exceeding \$134,000 per month. The tax rate on each bracket was increased by 0.5% effective August 1, 2003 (S.B 8 – 20th Special Session).
- Taxable gaming revenue is derived from total gaming win adjusted for the interaction of credit issued and collected during the monthly reporting period.
- Total gaming win is the amount of wagering activity retained by the non-restricted gaming location during the month. The total win reported each month is generated from electronic gaming devices (slot machines) and table games (includes sports books).
- The gaming win from slot machines generated each month is a function of the amount of coin-in (handle) and the slot win percent (hold percentage). The product of the amount of coin-in generated by the slot machines and the slot win percent is known as slot win.
- The gaming win from table games generated each month is a function of the amount drop and the games win percent (hold percentage). The product of the amount of drop generated by the table games and the games win percent is known as games and table win.

FY 2011 Year-to-Date Gaming Market Statistics and Gaming Percentage Fee Tax Collections Overview

Since the December 1, 2010, meeting of the Economic Forum, the Gaming Control Board has reported the gaming market statistics for October 2010 through February 2011 business activity, which generated gaming percentage fee tax collections for November 2010 through March 2011. Thus, actual information is known for the first nine months or three-quarters of FY 2011.

Fiscal Year-to-Date Gaming Market and Percentage Fee Tax Statistics for the First Nine Months of FY 2011

Based on the actual information reported by the Gaming Control Board, total statewide gaming win is down 0.6% through the first nine months of FY 2011 compared to the first nine months of FY 2010, which was down 5.4%. Statewide slot win is down 0.5% in the first nine months of FY 2011 compared being down 10.2% in the first nine months of FY 2010. Statewide games win is down 0.8% in the first nine months of FY 2011 compared to the first nine months of FY 2010, which was up 4.3%.

Taxable gaming revenue (TGR), which accounts for the interaction of credit extended and credit collected, is up 0.5% through the first nine months of FY 2011 compared to being down 8.6% in the first nine months of FY 2010. Taxable gaming revenue is up while total gaming win is down because the ratio of TGR to total win is 92.5% in the first nine months of FY 2011 compared to 91.5% through the first nine months of FY 2010.

Percentage fee tax collections derived from taxable gaming revenue are up 0.4% in the first nine months of FY 2011 compared to the first nine months of FY 2010, which were down 8.6%. Total percentage fee tax collections, which include the impact of the estimated fee adjustment (EFA), are actually up 1.8% in the first nine months of FY 2011.

Through the first nine months of FY 2011, the estimated fee adjustment (EFA) is in a net negative position of \$14.7 million. However, this is compared to a net negative position of \$21.2 million in the first nine months of FY

2010. Thus, comparing the EFA in FY 2011 to FY 2010 fiscal year-to-date results in a net positive impact of \$6.6 million in FY 2011, which explains why total percentage fee tax collections are up 1.8% while percentage fees from TGR are actually up only 0.4%.

FY 2011 Gaming Market Statistics and Gaming Percentage Fee Tax Collections Forecast

Statewide total win is forecast to be flat in FY 2011 (0.0%) compared to a 4.9% decrease in FY 2010. To achieve this forecast, total win will have to increase by an average of 2.1% over the last three months of FY 2011 compared to the last three months of FY 2010. For reference, total win decreased an average of 3.6% over the last three months of FY 2010 compared to the same period in FY 2009.

Statewide slot win is forecast to be flat in FY 2011 (0.0%) compared to an 8.6% decrease in FY 2010. To achieve this forecast, slot win will have to increase by only 1.7% on average over the last three months of FY 2011 compared the last three months of FY 2010. For reference, slot win decreased an average of 3.6% over the last three months of FY 2010 compared to the same period in FY 2009.

Statewide games win is forecast to increase by 0.1% in FY 2011 compared to a 2.4% increase in FY 2010. To achieve this forecast, games win will have to increase by an average of 2.9% over the last three months of FY 2011 compared the last three months of FY 2010. For reference, games win decreased an average of 3.7% over the last three months of FY 2010 compared to the same period in FY 2009.

Taxable gaming revenue (TGR) is forecast to increase by 0.9% in FY 2011 compared to a 6.8% decrease in FY 2010. To achieve the FY 2011 forecast, TGR will have to increase by an average of 2.3% over the last three months of FY 2011 compared to the last three months of FY 2010, which decreased an average of 1.4% relative to the last three months of FY 2009.

Gaming percentage fee collections from taxable gaming revenue (TGR) are estimated to increase by 1.4% in FY 2011 compared to a 7.3% decrease in FY 2010. To achieve the projected 1.4% increase in FY 2011, gaming percentage fee collections from TGR will have to increase by an average of 4.5% over the last three months of FY 2011 compared to an average decrease of 3.6% over the last three months of FY 2010.

Total gaming percentage fee tax collections are projected to increase by 3.5% in FY 2011 compared to a 3.8% decrease in FY 2010. Total gaming percentage fee collections will have to increase by an average of 7.8% over the last three months of FY 2011 compared to an average decrease of 0.3% over the last three months of FY 2010.

The difference between the growth required to achieve the forecast for total gaming percentage fee collections versus the forecast for gaming percentage fee collections from TGR is due to the projected net positive impact from the EFA of \$12.89 million in FY 2011. The result occurs because the EFA for FY 2011 is projected to be approximately a positive \$5.11 million versus a negative \$7.78 million in FY 2010.

CHART 1
Statewide Total Win, Slot Win, and Game Win per Las Vegas Visitor
Actual: 1995Q3 - 2011Q1 Forecast: 2011Q2 - 2013Q2

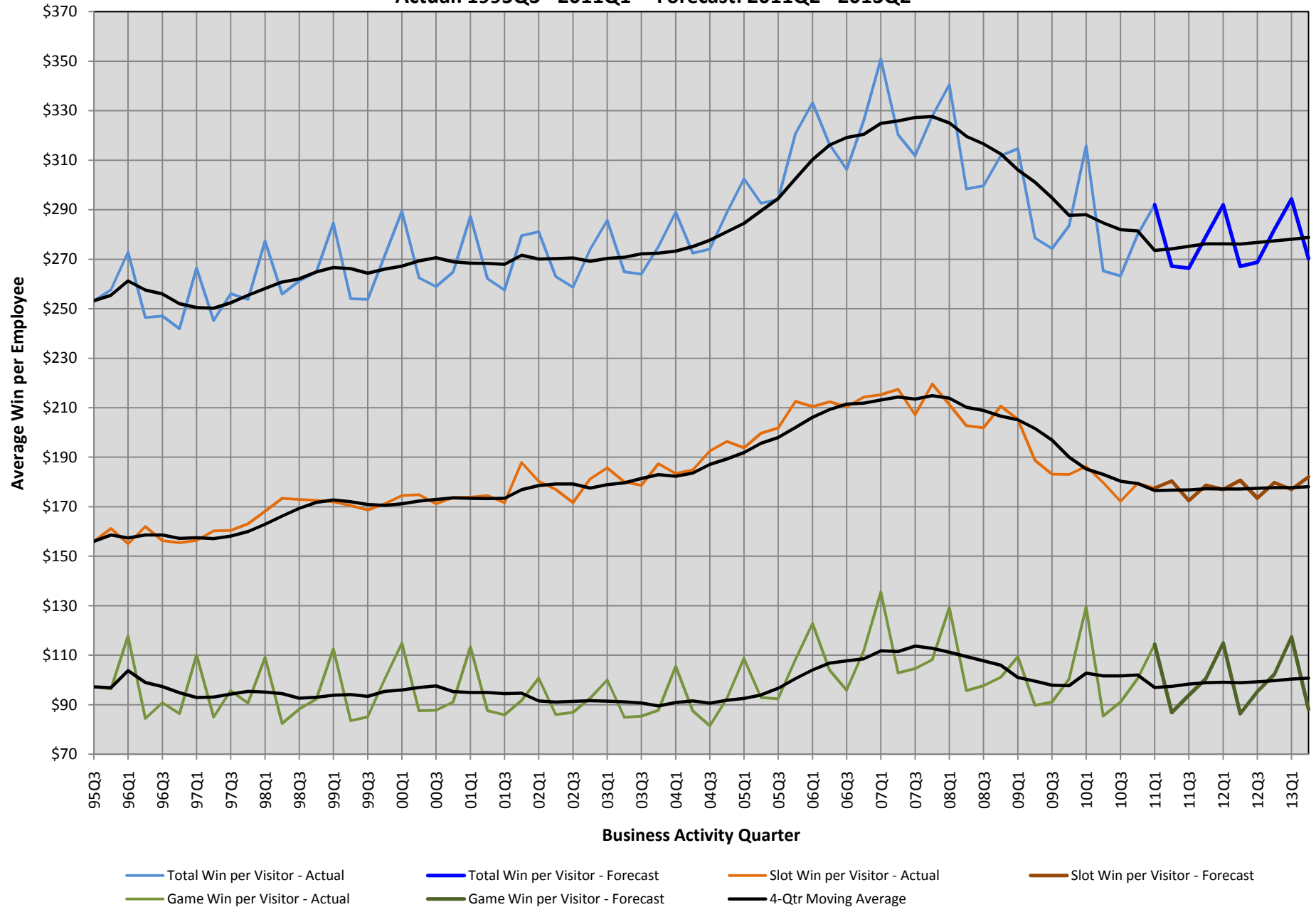


CHART 2
Statewide Total Win, Slot Win, and Game Win per Statewide Employee
Actual: 1995Q3 - 2011Q1 Forecast: 2011Q2 - 2013Q2

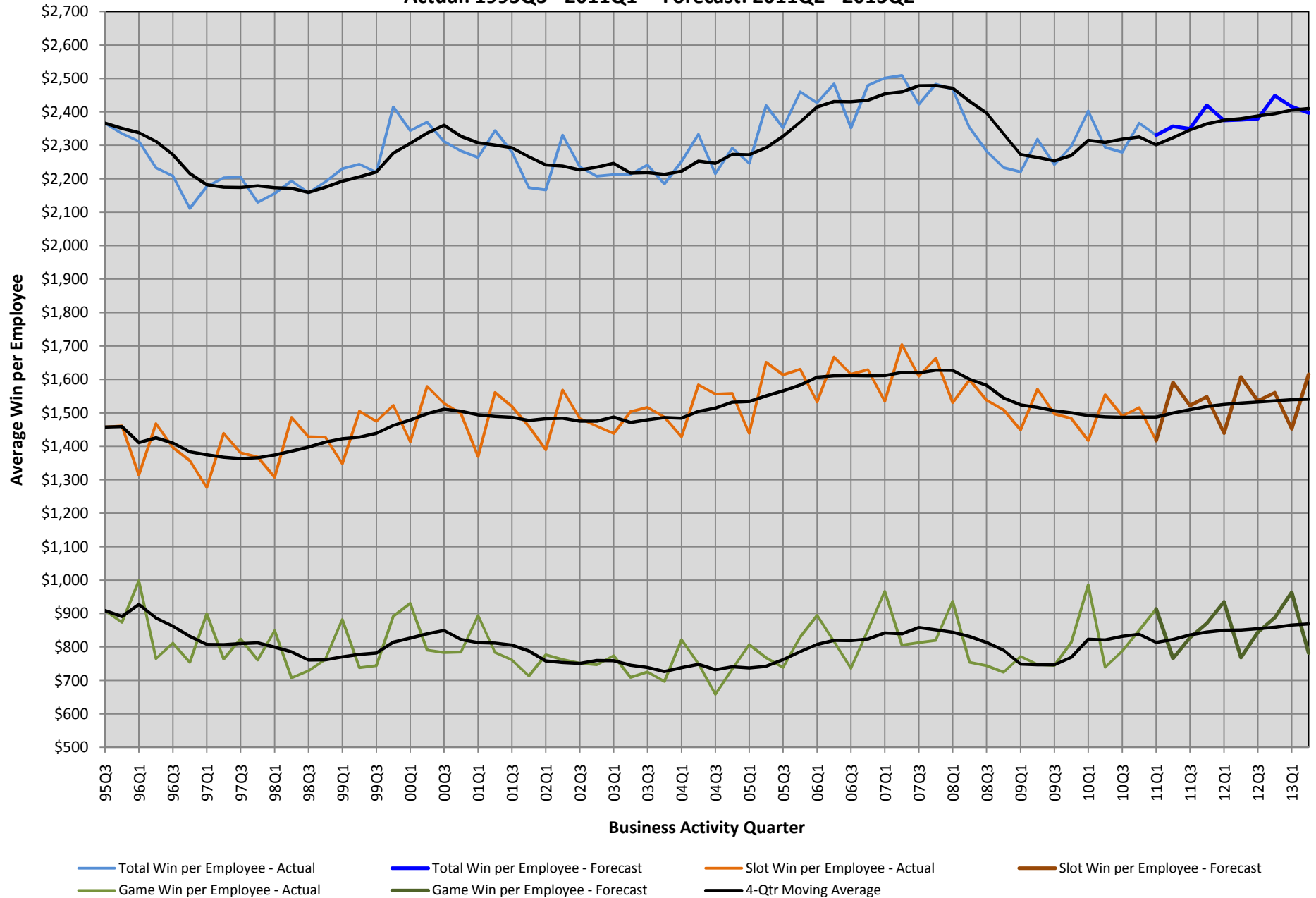


CHART 3
Clark County Total Win, Slot Win, and Game Win per Las Vegas Visitor
Actual: 1995Q3 - 2011Q1 Forecast: 2011Q2 - 2013Q2

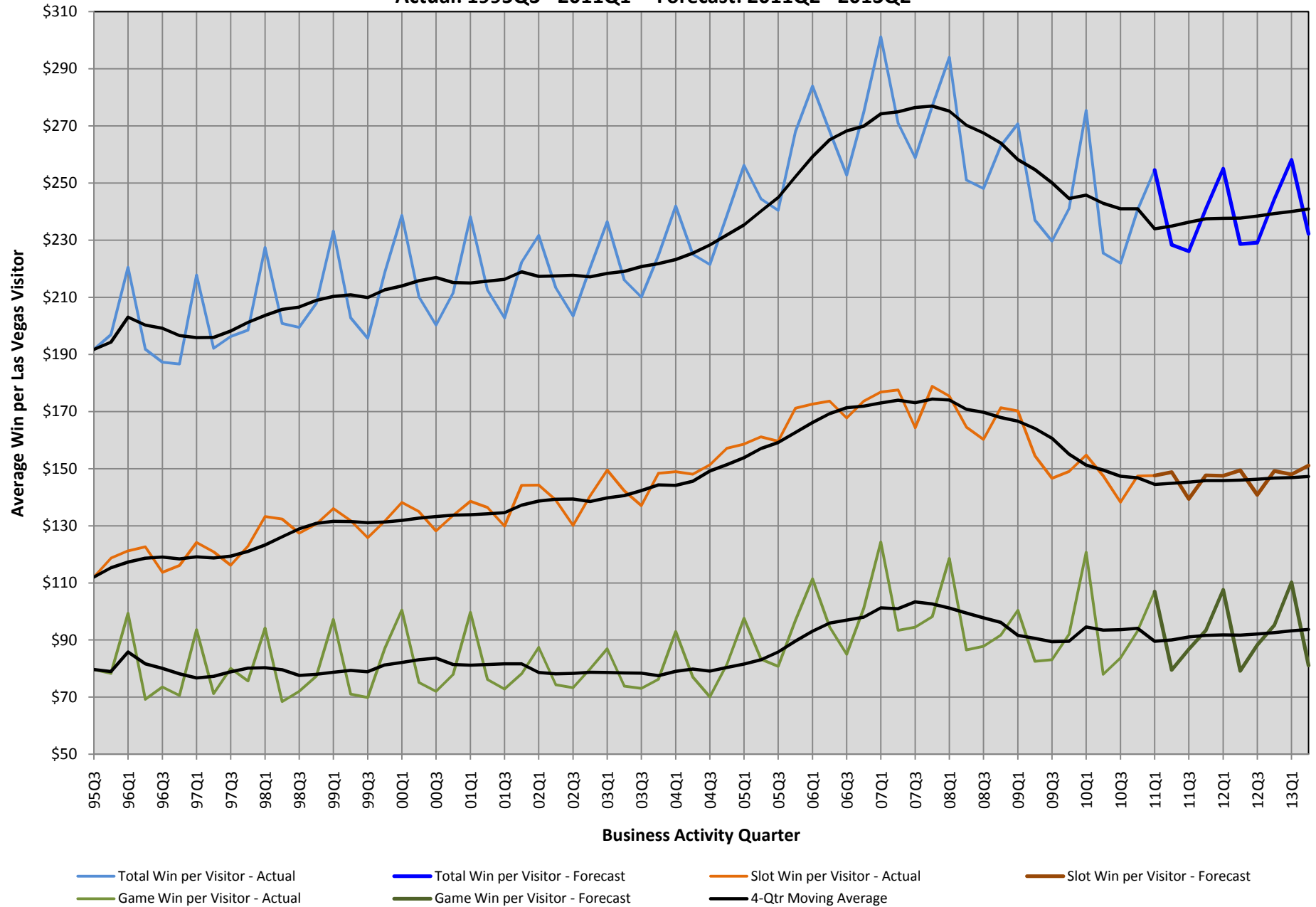


CHART 4
Clark County Total Win, Slot Win, and Game Win per Statewide Employee
Actual: 1995Q3 - 2011Q1 Forecast: 2011Q2 - 2013Q2

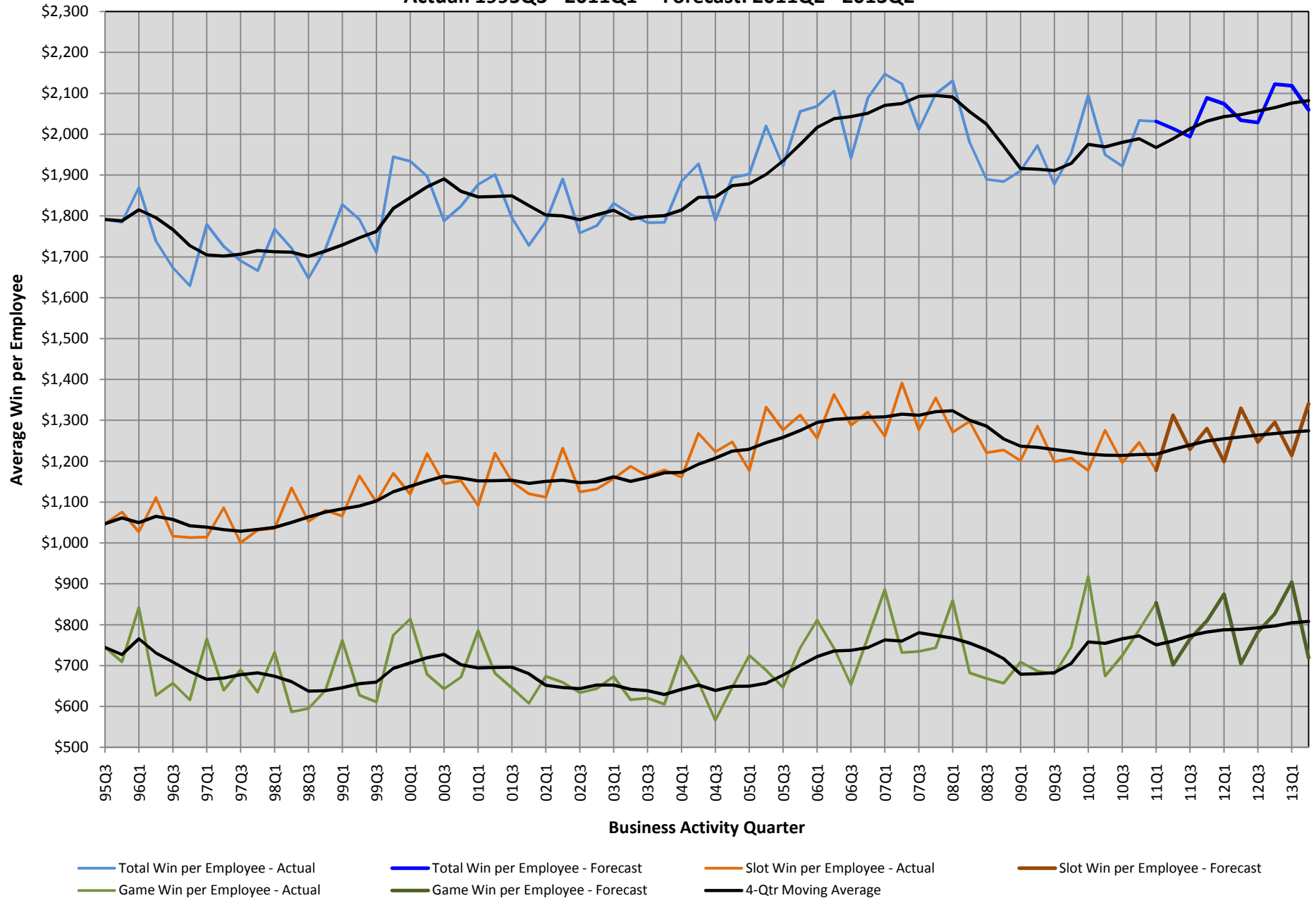


TABLE 1**PERCENTAGE FEE TAX COLLECTIONS FORECAST: FY 2011, FY 2012, and FY 2013**

Win and Taxable Gaming Revenue (TGR) are based on a Fiscal Year Activity Period: June 30 - May 31 corresponding to a Fiscal Year Collection Period: July 1 - June 30.

	Slot Win	Games Win	Total Win	Taxable Gaming	Ratio:	Average	Percentage Fee Collections			Difference:		
				Revenue (TGR)	TGR to Win	Tax Rate	% Fee-TGR	% Fee-EFA	% Fee-Total	% Fee-EFA less % Fee-EFA Last Year		
FY95	4,380,802,175	2,694,675,227	7,075,477,402	6,763,552,243	95.6%	6.0885%	411,796,558	-500,770	411,295,788	-1,971,932	FY95	
FY96	4,633,094,662	2,879,530,689	7,512,625,351	7,207,178,058	95.9%	6.0893%	438,869,709	5,793,088	444,662,797	6,293,858	FY96	
FY97	4,757,587,292	2,809,424,728	7,567,012,020	7,363,636,000	97.3%	6.0930%	448,663,200	-3,687,526	444,975,700	-9,480,614	FY97	
FY98	5,025,443,026	2,844,649,036	7,870,092,062	7,492,880,000	95.2%	6.0943%	456,638,700	2,551,369	459,190,100	6,238,895	FY98	
FY99	5,455,327,107	2,974,368,367	8,429,695,474	8,077,142,000	95.8%	6.1054%	493,144,700	3,343,497	496,488,200	792,128	FY99	
FY00	6,022,789,805	3,377,485,287	9,400,275,092	8,988,189,000	95.6%	6.1064%	548,856,000	11,417,129	560,273,100	8,073,632	FY00	
FY01	6,235,534,621	3,398,355,882	9,633,890,503	9,224,676,000	95.8%	6.1305%	565,522,300	-531,385	564,991,000	-11,948,514	FY01	
FY02	6,210,133,057	3,151,776,456	9,361,909,513	9,116,060,000	97.4%	6.1039%	556,438,000	-1,798,718	554,639,300	-1,267,333	FY02	
FY03	6,285,772,622	3,185,135,910	9,470,908,532	9,205,457,000	97.2%	6.1372%	564,953,800	-5,487,222	559,466,600	-3,688,504	FY03	
FY04	6,721,376,246	3,345,157,874	10,066,534,120	9,821,920,000	97.6%	6.5475%	643,093,600	33,927,984	677,021,600	39,415,206	FY04	
FY05	7,375,177,920	3,530,301,630	10,905,479,550	10,547,400,000	96.7%	6.6135%	697,550,600	12,072,762	709,623,300	-21,855,222	FY05	
FY06	8,101,564,029	4,125,400,456	12,226,964,485	11,793,990,000	96.5%	6.6386%	782,957,400	7,227,658	790,185,100	-4,845,105	FY06	
FY07	8,365,943,289	4,332,950,742	12,698,894,000	12,260,640,000	96.5%	6.6145%	810,977,500	9,073,364	820,050,900	1,845,706	FY07	
FY08	8,235,631,313	4,276,240,448	12,511,872,000	11,926,560,000	95.3%	6.6298%	790,703,400	-19,738,207	770,965,200	-28,811,571	FY08	
FY09	7,318,060,690	3,604,028,658	10,922,089,000	10,376,870,000	95.0%	6.6387%	688,885,000	-33,653,001	655,232,000	-13,914,794	FY09	
FY10	6,691,497,407	3,690,193,960	10,381,691,000	9,673,137,000	93.2%	6.5987%	638,305,900	-7,779,856	630,526,000	25,873,145	FY10	
FY11	6,694,490,000	3,692,044,000	10,386,534,000	9,763,778,000	94.0%	6.6308%	647,417,000	5,112,000	652,529,000	12,891,856	FY11	
FY12	6,820,618,000	3,794,411,000	10,615,029,000	10,066,040,000	94.8%	6.6344%	667,821,000	2,439,000	670,261,000	-2,673,000	FY12	
FY13	6,966,295,000	3,928,786,000	10,895,081,000	10,383,090,000	95.3%	6.6379%	689,219,000	4,793,000	694,012,000	2,354,000	FY13	

PERCENT CHANGE - YEAR AGO

	Slot Win	Games Win	Total Win	Taxable Gaming	Ratio:	Average	Percentage Fee Collections			Difference:		
				Revenue (TGR)	TGR to Win	Tax Rate	% Fee-TGR	% Fee-EFA	% Fee-Total	% Fee-Total less Fee-TGR		
FY95	6.5%	8.3%	7.2%	6.5%	-0.6%	0.0081%	6.7%	-134.0%	6.1%	-0.5%	FY95	
FY96	5.8%	6.9%	6.2%	6.6%	0.3%	0.0009%	6.6%	1256.8%	8.1%	1.5%	FY96	
FY97	2.7%	-2.4%	0.7%	2.2%	1.4%	0.0036%	2.2%	-163.7%	0.1%	-2.2%	FY97	
FY98	5.6%	1.3%	4.0%	1.8%	-2.1%	0.0013%	1.8%	169.2%	3.2%	1.4%	FY98	
FY99	8.6%	4.6%	7.1%	7.8%	0.6%	0.0111%	8.0%	31.0%	8.1%	0.1%	FY99	
FY00	10.4%	13.6%	11.5%	11.3%	-0.2%	0.0010%	11.3%	241.5%	12.8%	1.6%	FY00	
FY01	3.5%	0.6%	2.5%	2.6%	0.1%	0.0241%	3.0%	-104.7%	0.8%	-2.2%	FY01	
FY02	-0.4%	-7.3%	-2.8%	-1.2%	1.6%	-0.0266%	-1.6%	-238.5%	-1.8%	-0.2%	FY02	
FY03	1.2%	1.1%	1.2%	1.0%	-0.2%	0.0332%	1.5%	-205.1%	0.9%	-0.7%	FY03	
FY04	6.9%	5.0%	6.3%	6.7%	0.4%	0.4104%	13.8%	718.3%	21.0%	7.2%	FY04	
FY05	9.7%	5.5%	8.3%	7.4%	-0.9%	0.0659%	8.5%	-64.4%	4.8%	-3.7%	FY05	
FY06	9.8%	16.9%	12.1%	11.8%	-0.3%	0.0251%	12.2%	-40.1%	11.4%	-0.9%	FY06	
FY07	3.3%	5.0%	3.9%	4.0%	0.1%	-0.0241%	3.6%	25.5%	3.8%	0.2%	FY07	
FY08	-1.6%	-1.3%	-1.5%	-2.7%	-1.2%	0.0153%	-2.5%	-317.5%	-6.0%	-3.5%	FY08	
FY09	-11.1%	-15.7%	-12.7%	-13.0%	-0.3%	0.0089%	-12.9%	-70.5%	-15.0%	-2.1%	FY09	
FY10	-8.6%	2.4%	-4.9%	-6.8%	-1.8%	-0.0399%	-7.3%	76.9%	-3.8%	3.6%	FY10	
FY11	0.0%	0.1%	0.0%	0.9%	0.8%	0.0321%	1.4%	165.7%	3.5%	2.1%	FY11	
FY12	1.9%	2.8%	2.2%	3.1%	0.8%	0.0036%	3.2%	-52.3%	2.7%	-0.4%	FY12	
FY13	2.1%	3.5%	2.6%	3.1%	0.5%	0.0035%	3.2%	96.5%	3.5%	0.3%	FY13	

TABLE 2-FY: STATEWIDE**SLOT MARKET STATISTICS - STATEWIDE**

Historical: FY1991 - FY2010 and Forecast: FY2011 - FY2013

Statistics are based on Fiscal Year Activity Period: June 30 - May 31

	Slot Win (Millions of \$'s)	Win per Slot (Average per Month)	Average Number of Slot Machines (FY Average)	Average Slot Win Percent (FY Average)	Coin-In per Slot (Average per Month)	
FY91	\$3,269	\$2,068	131,755	5.23%	\$39,512	FY91
FY92	\$3,540	\$2,195	134,403	5.15%	\$42,602	FY92
FY93	\$3,806	\$2,354	134,753	5.07%	\$46,400	FY93
FY94	\$4,114	\$2,381	144,068	4.99%	\$47,714	FY94
FY95	\$4,381	\$2,335	156,389	4.97%	\$46,974	FY95
FY96	\$4,633	\$2,369	162,959	4.95%	\$47,886	FY96
FY97	\$4,758	\$2,326	170,460	4.93%	\$47,172	FY97
FY98	\$5,025	\$2,378	176,123	5.03%	\$47,268	FY98
FY99	\$5,455	\$2,553	178,047	5.13%	\$49,746	FY99
FY00	\$6,023	\$2,703	185,712	5.24%	\$51,547	FY00
FY01	\$6,236	\$2,759	188,340	5.30%	\$52,080	FY01
FY02	\$6,210	\$2,743	188,708	5.37%	\$51,066	FY02
FY03	\$6,286	\$2,833	184,927	5.38%	\$52,635	FY03
FY04	\$6,721	\$3,080	181,938	5.62%	\$54,823	FY04
FY05	\$7,375	\$3,454	177,945	5.82%	\$59,268	FY05
FY06	\$8,102	\$3,803	177,505	5.94%	\$64,050	FY06
FY07	\$8,366	\$3,939	177,038	6.06%	\$65,010	FY07
FY08	\$8,236	\$3,961	173,288	6.12%	\$64,694	FY08
FY09	\$7,318	\$3,562	171,230	6.11%	\$58,331	FY09
FY10	\$6,691	\$3,305	168,721	6.15%	\$53,729	FY10
FY11	\$6,694	\$3,358	166,111	6.27%	\$53,504	FY11
FY12	\$6,821	\$3,436	165,437	6.34%	\$54,133	FY12
FY13	\$6,966	\$3,533	164,306	6.41%	\$55,131	FY13

PERCENT CHANGE YEAR AGO

	Slot Win	Win per Slot	Average Number of Slot Machines	Average Slot Win Percent	Coin-In per Slot	
FY91	11.6%	0.9%	10.6%	-0.07%	2.3%	FY91
FY92	8.3%	6.1%	2.0%	-0.08%	7.8%	FY92
FY93	7.5%	7.3%	0.3%	-0.08%	8.9%	FY93
FY94	8.1%	1.1%	6.9%	-0.08%	2.8%	FY94
FY95	6.5%	-1.9%	8.6%	-0.02%	-1.6%	FY95
FY96	5.8%	1.5%	4.2%	-0.02%	1.9%	FY96
FY97	2.7%	-1.8%	4.6%	-0.02%	-1.5%	FY97
FY98	5.6%	2.2%	3.3%	0.10%	0.2%	FY98
FY99	8.6%	7.3%	1.1%	0.10%	5.2%	FY99
FY00	10.4%	5.9%	4.3%	0.11%	3.6%	FY00
FY01	3.5%	2.1%	1.4%	0.05%	1.0%	FY01
FY02	-0.4%	-0.6%	0.2%	0.07%	-1.9%	FY02
FY03	1.2%	3.3%	-2.0%	0.02%	3.1%	FY03
FY04	6.9%	8.7%	-1.6%	0.23%	4.2%	FY04
FY05	9.7%	12.1%	-2.2%	0.21%	8.1%	FY05
FY06	9.8%	10.1%	-0.2%	0.11%	8.1%	FY06
FY07	3.3%	3.6%	-0.3%	0.12%	1.5%	FY07
FY08	-1.6%	0.6%	-2.1%	0.07%	-0.5%	FY08
FY09	-11.1%	-10.1%	-1.2%	-0.02%	-9.8%	FY09
FY10	-8.6%	-7.2%	-1.5%	0.04%	-7.9%	FY10
FY11	0.0%	1.6%	-1.5%	0.13%	-0.4%	FY11
FY12	1.9%	2.3%	-0.4%	0.07%	1.2%	FY12
FY13	2.1%	2.8%	-0.7%	0.06%	1.8%	FY13

TABLE 2-Q: STATEWIDE**SLOT MARKET STATISTICS - STATEWIDE**

Historical: 2007:3rd Quarter - 2011:1st Quarter and Forecast: 2011:2nd Quarter - 2013:2nd Quarter

Statistics are based on Quarterly Business Activity Period (Example: 2008Q3 = June 2008, July 2008, and August 2008)

	Slot Win (Millions of \$'s)	Win per Slot (Average per Month)	Average Number of Slot Machines (FY Average)	Average Slot Win Percent (FY Average)	Coin-In per Slot (Average per Month)	
FY08 2007Q3	\$2,074	\$3,965	174,401	5.99%	\$66,207	2007Q3
FY08 2007Q4	\$2,148	\$4,130	173,330	6.30%	\$65,559	2007Q4
FY08 2008Q1	\$1,969	\$3,777	173,794	6.05%	\$62,409	2008Q1
FY08 2008Q2	\$2,044	\$3,970	171,626	6.15%	\$64,601	2008Q2
FY09 2008Q3	\$1,941	\$3,797	170,396	6.08%	\$62,422	2008Q3
FY09 2008Q4	\$1,853	\$3,598	171,709	6.27%	\$57,347	2008Q4
FY09 2009Q1	\$1,717	\$3,330	171,865	6.00%	\$55,481	2009Q1
FY09 2009Q2	\$1,807	\$3,523	170,950	6.07%	\$58,075	2009Q2
FY10 2009Q3	\$1,695	\$3,340	169,110	6.19%	\$53,993	2009Q3
FY10 2009Q4	\$1,669	\$3,305	168,394	6.16%	\$53,670	2009Q4
FY10 2010Q1	\$1,586	\$3,119	169,522	5.99%	\$52,088	2010Q1
FY10 2010Q2	\$1,741	\$3,458	167,858	6.27%	\$55,165	2010Q2
FY11 2010Q3	\$1,660	\$3,323	166,513	6.32%	\$52,605	2010Q3
FY11 2010Q4	\$1,684	\$3,395	165,389	6.34%	\$53,536	2010Q4
FY11 2011Q1	\$1,580	\$3,168	166,203	6.05%	\$52,375	2011Q1
FY11 2011Q2	\$1,771	\$3,548	166,341	6.39%	\$55,499	2011Q2
FY12 2011Q3	\$1,691	\$3,397	165,936	6.41%	\$53,020	2011Q3
FY12 2011Q4	\$1,724	\$3,471	165,561	6.41%	\$54,127	2011Q4
FY12 2012Q1	\$1,607	\$3,241	165,268	6.11%	\$53,044	2012Q1
FY12 2012Q2	\$1,799	\$3,634	164,985	6.45%	\$56,340	2012Q2
FY13 2012Q3	\$1,724	\$3,489	164,713	6.47%	\$53,962	2012Q3
FY13 2012Q4	\$1,759	\$3,565	164,441	6.47%	\$55,081	2012Q4
FY13 2013Q1	\$1,645	\$3,340	164,170	6.17%	\$54,091	2013Q1
FY13 2013Q2	\$1,839	\$3,739	163,899	6.52%	\$57,388	2013Q2

PERCENT CHANGE YEAR AGO

	Slot Win	Win per Slot	Average Number of Slot Machines	Average Slot Win Percent	Coin-In per Slot	
FY08 2007Q3	-0.1%	2.3%	-2.3%	-0.07%	3.5%	2007Q3
FY08 2007Q4	2.5%	4.7%	-2.2%	0.23%	0.9%	2007Q4
FY08 2008Q1	-0.8%	0.9%	-1.8%	0.14%	-1.5%	2008Q1
FY08 2008Q2	-7.4%	-5.3%	-2.2%	-0.04%	-4.6%	2008Q2
FY09 2008Q3	-6.4%	-4.2%	-2.3%	0.09%	-5.7%	2008Q3
FY09 2008Q4	-13.7%	-12.9%	-0.9%	-0.03%	-12.5%	2008Q4
FY09 2009Q1	-12.8%	-11.8%	-1.1%	-0.05%	-11.1%	2009Q1
FY09 2009Q2	-11.6%	-11.3%	-0.4%	-0.08%	-10.1%	2009Q2
FY10 2009Q3	-12.7%	-12.0%	-0.8%	0.10%	-13.5%	2009Q3
FY10 2009Q4	-9.9%	-8.1%	-1.9%	-0.12%	-6.4%	2009Q4
FY10 2010Q1	-7.6%	-6.3%	-1.4%	-0.01%	-6.1%	2010Q1
FY10 2010Q2	-3.6%	-1.9%	-1.8%	0.20%	-5.0%	2010Q2
FY11 2010Q3	-2.0%	-0.5%	-1.5%	0.13%	-2.6%	2010Q3
FY11 2010Q4	0.9%	2.7%	-1.8%	0.18%	-0.3%	2010Q4
FY11 2011Q1	-0.4%	1.6%	-2.0%	0.06%	0.6%	2011Q1
FY11 2011Q2	1.7%	2.6%	-0.9%	0.12%	0.6%	2011Q2
FY12 2011Q3	1.9%	2.2%	-0.3%	0.09%	0.8%	2011Q3
FY12 2011Q4	2.4%	2.2%	0.1%	0.07%	1.1%	2011Q4
FY12 2012Q1	1.7%	2.3%	-0.6%	0.06%	1.3%	2012Q1
FY12 2012Q2	1.6%	2.4%	-0.8%	0.06%	1.5%	2012Q2
FY13 2012Q3	2.0%	2.7%	-0.7%	0.06%	1.8%	2012Q3
FY13 2012Q4	2.0%	2.7%	-0.7%	0.06%	1.8%	2012Q4
FY13 2013Q1	2.4%	3.0%	-0.7%	0.06%	2.0%	2013Q1
FY13 2013Q2	2.2%	2.9%	-0.7%	0.06%	1.9%	2013Q2

TABLE 3-FY: STATEWIDE**GAMES MARKET STATISTICS - STATEWIDE**

Historical: FY1991 - FY2010 and Forecast: FY2011 - FY2013

Statistics are based on Fiscal Year Activity Period: June 30 - May 31

	Game Win (Millions of \$'s)	Win per Game (Average per Month)	Average Number of Games (FY Average)	Average Game Win Percent (FY Average)	Drop per Game (Average per Month)	
FY91	\$2,290	\$35,036	5,447	14.76%	\$237,539	FY91
FY92	\$2,165	\$33,780	5,341	14.64%	\$230,612	FY92
FY93	\$2,189	\$35,285	5,171	14.44%	\$244,423	FY93
FY94	\$2,489	\$38,642	5,358	14.69%	\$263,647	FY94
FY95	\$2,695	\$39,740	5,649	14.60%	\$273,059	FY95
FY96	\$2,880	\$41,290	5,812	14.17%	\$291,322	FY96
FY97	\$2,809	\$38,917	6,012	14.42%	\$270,524	FY97
FY98	\$2,845	\$39,268	6,036	14.09%	\$279,128	FY98
FY99	\$2,974	\$41,115	6,027	14.37%	\$285,958	FY99
FY00	\$3,377	\$44,072	6,382	14.43%	\$305,815	FY00
FY01	\$3,398	\$43,946	6,444	14.46%	\$303,780	FY01
FY02	\$3,152	\$41,387	6,346	14.95%	\$276,957	FY02
FY03	\$3,185	\$42,495	6,246	15.55%	\$273,493	FY03
FY04	\$3,345	\$44,846	6,217	14.80%	\$303,991	FY04
FY05	\$3,530	\$46,056	6,384	13.48%	\$342,583	FY05
FY06	\$4,125	\$51,209	6,712	13.74%	\$373,592	FY06
FY07	\$4,333	\$53,255	6,784	13.65%	\$389,551	FY07
FY08	\$4,276	\$53,050	6,718	13.76%	\$386,607	FY08
FY09	\$3,604	\$45,241	6,638	12.65%	\$358,297	FY09
FY10	\$3,690	\$47,391	6,490	12.49%	\$379,300	FY10
FY11	\$3,692	\$47,998	6,412	11.92%	\$402,941	FY11
FY12	\$3,794	\$50,065	6,316	12.20%	\$410,246	FY12
FY13	\$3,929	\$52,047	6,290	12.31%	\$422,896	FY13

PERCENT CHANGE YEAR AGO

	Game Win	Win per Game	Average Number of Games	Average Game Win Percent	Drop per Game	
FY92	-5.4%	-3.6%	-1.9%	-0.11%	-2.9%	FY92
FY93	1.1%	4.5%	-3.2%	-0.21%	6.0%	FY93
FY94	13.7%	9.5%	3.6%	0.26%	7.9%	FY94
FY95	8.3%	2.8%	5.4%	-0.09%	3.6%	FY95
FY96	6.9%	3.9%	2.9%	-0.43%	6.7%	FY96
FY97	-2.4%	-5.7%	3.4%	0.25%	-7.1%	FY97
FY98	1.3%	0.9%	0.4%	-0.33%	3.2%	FY98
FY99	4.6%	4.7%	-0.1%	0.28%	2.4%	FY99
FY00	13.6%	7.2%	5.9%	0.05%	6.9%	FY00
FY01	0.6%	-0.3%	1.0%	0.04%	-0.7%	FY01
FY02	-7.3%	-5.8%	-1.5%	0.49%	-8.8%	FY02
FY03	1.1%	2.7%	-1.6%	0.60%	-1.3%	FY03
FY04	5.0%	5.5%	-0.5%	-0.76%	11.2%	FY04
FY05	5.5%	2.7%	2.7%	-1.32%	12.7%	FY05
FY06	16.9%	11.2%	5.1%	0.26%	9.1%	FY06
FY07	5.0%	4.0%	1.1%	-0.09%	4.3%	FY07
FY08	-1.3%	-0.4%	-1.0%	0.11%	-0.8%	FY08
FY09	-15.7%	-14.7%	-1.2%	-1.11%	-7.3%	FY09
FY10	2.4%	4.8%	-2.2%	-0.16%	5.9%	FY10
FY11	0.1%	1.3%	-1.2%	-0.57%	6.2%	FY11
FY12	2.8%	4.3%	-1.5%	0.29%	1.8%	FY12
FY13	3.5%	4.0%	-0.4%	0.10%	3.1%	FY13

TABLE 3-Q: STATEWIDE**GAME MARKET STATISTICS - STATEWIDE**

Historical: 2007:3rd Quarter - 2011:1st Quarter and Forecast: 2011:2nd Quarter - 2013:2nd Quarter

Statistics are based on Quarterly Business Activity Period (Example: 2008Q3 = June 2008, July 2008, and August 2008)

	Game Win (Millions of \$'s)	Win per Game (Average per Month)	Average Number of Games (FY Average)	Average Game Win Percent (FY Average)	Drop per Game (Average per Month)	
FY08 2007Q3	\$1,048	\$51,585	6,773	14.67%	\$351,566	2007Q3
FY08 2007Q4	\$1,058	\$52,863	6,674	13.84%	\$382,047	2007Q4
FY08 2008Q1	\$1,205	\$59,870	6,709	13.20%	\$453,714	2008Q1
FY08 2008Q2	\$965	\$47,883	6,715	13.33%	\$359,102	2008Q2
FY09 2008Q3	\$940	\$46,924	6,674	13.01%	\$360,559	2008Q3
FY09 2008Q4	\$890	\$44,600	6,650	13.12%	\$339,907	2008Q4
FY09 2009Q1	\$915	\$46,028	6,625	11.85%	\$388,341	2009Q1
FY09 2009Q2	\$860	\$43,411	6,603	12.61%	\$344,379	2009Q2
FY10 2009Q3	\$843	\$43,040	6,531	12.98%	\$331,610	2009Q3
FY10 2009Q4	\$915	\$47,637	6,406	12.53%	\$380,117	2009Q4
FY10 2010Q1	\$1,103	\$56,578	6,499	12.89%	\$438,832	2010Q1
FY10 2010Q2	\$828	\$42,309	6,526	11.54%	\$366,641	2010Q2
FY11 2010Q3	\$878	\$44,958	6,507	10.98%	\$409,408	2010Q3
FY11 2010Q4	\$944	\$49,543	6,353	12.86%	\$385,209	2010Q4
FY11 2011Q1	\$1,018	\$53,006	6,403	12.12%	\$437,514	2011Q1
FY11 2011Q2	\$852	\$44,486	6,384	11.72%	\$379,633	2011Q2
FY12 2011Q3	\$920	\$48,469	6,329	11.94%	\$406,000	2011Q3
FY12 2011Q4	\$970	\$51,186	6,319	12.95%	\$395,138	2011Q4
FY12 2012Q1	\$1,044	\$55,120	6,310	12.17%	\$452,881	2012Q1
FY12 2012Q2	\$860	\$45,486	6,304	11.75%	\$386,966	2012Q2
FY13 2012Q3	\$947	\$50,132	6,298	12.01%	\$417,511	2012Q3
FY13 2012Q4	\$1,001	\$53,026	6,292	13.06%	\$405,935	2012Q4
FY13 2013Q1	\$1,091	\$57,821	6,288	12.32%	\$469,400	2013Q1
FY13 2013Q2	\$890	\$47,208	6,284	11.84%	\$398,736	2013Q2

PERCENT CHANGE YEAR AGO

	Game Win	Win per Game	Average Number of Games	Average Game Win Percent	Drop per Game	
FY08 2007Q3	10.8%	12.3%	-1.4%	1.41%	1.5%	2007Q3
FY08 2007Q4	-3.1%	-1.8%	-1.4%	0.11%	-2.6%	2007Q4
FY08 2008Q1	-3.6%	-3.1%	-0.6%	-0.83%	3.0%	2008Q1
FY08 2008Q2	-7.6%	-7.0%	-0.6%	-0.24%	-5.3%	2008Q2
FY09 2008Q3	-10.4%	-9.0%	-1.5%	-1.66%	2.6%	2008Q3
FY09 2008Q4	-15.9%	-15.6%	-0.4%	-0.72%	-11.0%	2008Q4
FY09 2009Q1	-24.1%	-23.1%	-1.3%	-1.34%	-14.4%	2009Q1
FY09 2009Q2	-10.9%	-9.3%	-1.7%	-0.73%	-4.1%	2009Q2
FY10 2009Q3	-10.2%	-8.3%	-2.1%	-0.04%	-8.0%	2009Q3
FY10 2009Q4	2.9%	6.8%	-3.7%	-0.59%	11.8%	2009Q4
FY10 2010Q1	20.6%	22.9%	-1.9%	1.04%	13.0%	2010Q1
FY10 2010Q2	-3.7%	-2.5%	-1.2%	-1.07%	6.5%	2010Q2
FY11 2010Q3	4.1%	4.5%	-0.4%	-2.00%	23.5%	2010Q3
FY11 2010Q4	3.1%	4.0%	-0.8%	0.33%	1.3%	2010Q4
FY11 2011Q1	-7.7%	-6.3%	-1.5%	-0.78%	-0.3%	2011Q1
FY11 2011Q2	2.9%	5.1%	-2.2%	0.18%	3.5%	2011Q2
FY12 2011Q3	4.9%	7.8%	-2.7%	0.96%	-0.8%	2011Q3
FY12 2011Q4	2.8%	3.3%	-0.5%	0.09%	2.6%	2011Q4
FY12 2012Q1	2.5%	4.0%	-1.4%	0.06%	3.5%	2012Q1
FY12 2012Q2	1.0%	2.2%	-1.2%	0.04%	1.9%	2012Q2
FY13 2012Q3	2.9%	3.4%	-0.5%	0.07%	2.8%	2012Q3
FY13 2012Q4	3.2%	3.6%	-0.4%	0.11%	2.7%	2012Q4
FY13 2013Q1	4.5%	4.9%	-0.4%	0.15%	3.6%	2013Q1
FY13 2013Q2	3.4%	3.8%	-0.3%	0.08%	3.0%	2013Q2

TABLE 2-FY: CLARK COUNTY**SLOT MARKET STATISTICS - CLARK COUNTY**

Historical: FY1991 - FY2010 and Forecast: FY2011 - FY2013

Statistics are based on Fiscal Year Activity Period: June 30 - May 31

	Slot Win (Millions of \$'s)	Win per Slot (Average per Month)	Average Number of Slot Machines (FY Average)	Average Slot Win Percent (FY Average)	Coin-In per Slot (Average per Month)	
FY91	\$2,371	\$2,258	87,517	5.12%	\$44,096	FY91
FY92	\$2,569	\$2,379	90,006	5.06%	\$47,019	FY92
FY93	\$2,789	\$2,606	89,198	5.01%	\$51,981	FY93
FY94	\$3,046	\$2,608	97,350	4.97%	\$52,446	FY94
FY95	\$3,301	\$2,533	108,626	4.99%	\$50,770	FY95
FY96	\$3,464	\$2,570	112,271	4.97%	\$51,664	FY96
FY97	\$3,593	\$2,529	118,362	4.99%	\$50,735	FY97
FY98	\$3,810	\$2,551	124,425	5.10%	\$50,010	FY98
FY99	\$4,170	\$2,741	126,668	5.21%	\$52,571	FY99
FY00	\$4,635	\$2,893	133,485	5.34%	\$54,199	FY00
FY01	\$4,824	\$2,941	136,684	5.41%	\$54,352	FY01
FY02	\$4,826	\$2,927	137,425	5.46%	\$53,542	FY02
FY03	\$4,916	\$3,030	135,214	5.46%	\$55,479	FY03
FY04	\$5,330	\$3,331	133,422	5.72%	\$58,224	FY04
FY05	\$5,920	\$3,781	130,481	5.94%	\$63,687	FY05
FY06	\$6,551	\$4,166	131,061	6.08%	\$68,524	FY06
FY07	\$6,788	\$4,310	131,272	6.21%	\$69,420	FY07
FY08	\$6,690	\$4,370	127,586	6.25%	\$69,928	FY08
FY09	\$5,951	\$3,897	127,284	6.25%	\$62,319	FY09
FY10	\$5,462	\$3,565	127,689	6.35%	\$56,161	FY10
FY11	\$5,490	\$3,624	126,238	6.50%	\$55,784	FY11
FY12	\$5,618	\$3,716	125,978	6.58%	\$56,512	FY12
FY13	\$5,760	\$3,834	125,204	6.64%	\$57,709	FY13

PERCENT CHANGE YEAR AGO

	Slot Win	Win per Slot	Average Number of Slot Machines	Average Slot Win Percent	Coin-In per Slot	
FY91	14.1%	-1.7%	16.1%	-0.02%	-1.4%	FY91
FY92	8.3%	5.4%	2.8%	-0.06%	6.6%	FY92
FY93	8.6%	9.5%	-0.9%	-0.05%	10.6%	FY93
FY94	9.2%	0.1%	9.1%	-0.04%	0.9%	FY94
FY95	8.4%	-2.9%	11.6%	0.02%	-3.2%	FY95
FY96	4.9%	1.5%	3.4%	-0.01%	1.8%	FY96
FY97	3.7%	-1.6%	5.4%	0.01%	-1.8%	FY97
FY98	6.0%	0.9%	5.1%	0.11%	-1.4%	FY98
FY99	9.4%	7.4%	1.8%	0.12%	5.1%	FY99
FY00	11.2%	5.5%	5.4%	0.12%	3.1%	FY00
FY01	4.1%	1.7%	2.4%	0.07%	0.3%	FY01
FY02	0.0%	-0.5%	0.5%	0.05%	-1.5%	FY02
FY03	1.9%	3.5%	-1.6%	0.00%	3.6%	FY03
FY04	8.4%	9.9%	-1.3%	0.26%	4.9%	FY04
FY05	11.1%	13.5%	-2.2%	0.22%	9.4%	FY05
FY06	10.7%	10.2%	0.4%	0.14%	7.6%	FY06
FY07	3.6%	3.5%	0.2%	0.13%	1.3%	FY07
FY08	-1.5%	1.4%	-2.8%	0.04%	0.7%	FY08
FY09	-11.0%	-10.8%	-0.2%	0.01%	-10.9%	FY09
FY10	-8.2%	-8.5%	0.3%	0.09%	-9.9%	FY10
FY11	0.5%	1.6%	-1.1%	0.15%	-0.7%	FY11
FY12	2.3%	2.5%	-0.2%	0.08%	1.3%	FY12
FY13	2.5%	3.2%	-0.6%	0.07%	2.1%	FY13

TABLE 2-Q: CLARK COUNTY**SLOT MARKET STATISTICS - CLARK COUNTY**

Historical: 2007:3rd Quarter - 2011:1st Quarter and Forecast: 2011:2nd Quarter - 2013:2nd Quarter

Statistics are based on Quarterly Business Activity Period (Example: 2008Q3 = June 2008, July 2008, and August 2008)

	Slot Win (Millions of \$'s)	Win per Slot (Average per Month)	Average Number of Slot Machines (FY Average)	Average Slot Win Percent (FY Average)	Coin-In per Slot (Average per Month)	
FY08 2007Q3	\$1,646	\$4,276	128,319	6.08%	\$70,363	2007Q3
FY08 2007Q4	\$1,749	\$4,579	127,329	6.45%	\$70,968	2007Q4
FY08 2008Q1	\$1,635	\$4,247	128,358	6.19%	\$68,573	2008Q1
FY08 2008Q2	\$1,659	\$4,378	126,336	6.27%	\$69,808	2008Q2
FY09 2008Q3	\$1,541	\$4,092	125,507	6.18%	\$66,249	2008Q3
FY09 2008Q4	\$1,507	\$3,955	127,038	6.45%	\$61,350	2008Q4
FY09 2009Q1	\$1,424	\$3,700	128,276	6.16%	\$60,067	2009Q1
FY09 2009Q2	\$1,479	\$3,842	128,316	6.24%	\$61,610	2009Q2
FY10 2009Q3	\$1,357	\$3,547	127,494	6.37%	\$55,646	2009Q3
FY10 2009Q4	\$1,359	\$3,566	127,027	6.33%	\$56,304	2009Q4
FY10 2010Q1	\$1,317	\$3,411	128,763	6.17%	\$55,240	2010Q1
FY10 2010Q2	\$1,429	\$3,736	127,472	6.50%	\$57,453	2010Q2
FY11 2010Q3	\$1,333	\$3,521	126,164	6.55%	\$53,755	2010Q3
FY11 2010Q4	\$1,384	\$3,679	125,393	6.56%	\$56,069	2010Q4
FY11 2011Q1	\$1,313	\$3,456	126,612	6.22%	\$55,524	2011Q1
FY11 2011Q2	\$1,460	\$3,839	126,783	6.64%	\$57,787	2011Q2
FY12 2011Q3	\$1,366	\$3,604	126,310	6.65%	\$54,201	2011Q3
FY12 2011Q4	\$1,425	\$3,769	126,056	6.64%	\$56,740	2011Q4
FY12 2012Q1	\$1,339	\$3,546	125,867	6.30%	\$56,309	2012Q1
FY12 2012Q2	\$1,488	\$3,946	125,677	6.71%	\$58,799	2012Q2
FY13 2012Q3	\$1,399	\$3,717	125,488	6.72%	\$55,332	2012Q3
FY13 2012Q4	\$1,460	\$3,884	125,299	6.71%	\$57,876	2012Q4
FY13 2013Q1	\$1,375	\$3,664	125,110	6.36%	\$57,564	2013Q1
FY13 2013Q2	\$1,526	\$4,072	124,921	6.78%	\$60,062	2013Q2

PERCENT CHANGE YEAR AGO

	Slot Win	Win per Slot	Average Number of Slot Machines	Average Slot Win Percent	Coin-In per Slot	
FY08 2007Q3	-0.6%	2.6%	-3.1%	-0.13%	4.9%	2007Q3
FY08 2007Q4	3.0%	6.4%	-3.2%	0.24%	2.5%	2007Q4
FY08 2008Q1	0.2%	2.5%	-2.3%	0.15%	0.0%	2008Q1
FY08 2008Q2	-7.9%	-5.4%	-2.6%	-0.09%	-4.1%	2008Q2
FY09 2008Q3	-6.4%	-4.3%	-2.2%	0.10%	-5.8%	2008Q3
FY09 2008Q4	-13.8%	-13.6%	-0.2%	-0.01%	-13.6%	2008Q4
FY09 2009Q1	-12.9%	-12.9%	-0.1%	-0.03%	-12.4%	2009Q1
FY09 2009Q2	-10.9%	-12.2%	1.6%	-0.04%	-11.7%	2009Q2
FY10 2009Q3	-11.9%	-13.3%	1.6%	0.20%	-16.0%	2009Q3
FY10 2009Q4	-9.8%	-9.8%	0.0%	-0.11%	-8.2%	2009Q4
FY10 2010Q1	-7.5%	-7.8%	0.4%	0.01%	-8.0%	2010Q1
FY10 2010Q2	-3.4%	-2.8%	-0.7%	0.27%	-6.7%	2010Q2
FY11 2010Q3	-1.8%	-0.7%	-1.0%	0.18%	-3.4%	2010Q3
FY11 2010Q4	1.8%	3.2%	-1.3%	0.23%	-0.4%	2010Q4
FY11 2011Q1	-0.4%	1.3%	-1.7%	0.05%	0.5%	2011Q1
FY11 2011Q2	2.2%	2.7%	-0.5%	0.14%	0.6%	2011Q2
FY12 2011Q3	2.5%	2.4%	0.1%	0.10%	0.8%	2011Q3
FY12 2011Q4	3.0%	2.4%	0.5%	0.08%	1.2%	2011Q4
FY12 2012Q1	2.0%	2.6%	-0.6%	0.07%	1.4%	2012Q1
FY12 2012Q2	1.9%	2.8%	-0.9%	0.07%	1.8%	2012Q2
FY13 2012Q3	2.5%	3.1%	-0.7%	0.07%	2.1%	2012Q3
FY13 2012Q4	2.4%	3.0%	-0.6%	0.07%	2.0%	2012Q4
FY13 2013Q1	2.7%	3.3%	-0.6%	0.07%	2.2%	2013Q1
FY13 2013Q2	2.6%	3.2%	-0.6%	0.07%	2.1%	2013Q2

TABLE 3-FY: CLARK COUNTY**GAMES MARKET STATISTICS - CLARK COUNTY**

Historical: FY1991 - FY2010 and Forecast: FY2011 - FY2013

Statistics are based on Fiscal Year Activity Period: June 30 - May 31

	Game Win (Millions of \$'s)	Win per Game (Average per Month)	Average Number of Games (FY Average)	Average Game Win Percent (FY Average)	Drop per Game (Average per Month)	
FY91	\$1,796	\$42,993	3,481	14.08%	\$305,289	FY91
FY92	\$1,679	\$40,877	3,423	14.03%	\$291,243	FY92
FY93	\$1,715	\$43,423	3,292	13.82%	\$314,028	FY93
FY94	\$2,011	\$47,923	3,486	14.24%	\$337,291	FY94
FY95	\$2,191	\$48,176	3,788	14.05%	\$344,159	FY95
FY96	\$2,375	\$51,244	3,863	13.66%	\$375,169	FY96
FY97	\$2,330	\$47,401	4,092	13.95%	\$341,081	FY97
FY98	\$2,395	\$47,637	4,189	13.73%	\$347,953	FY98
FY99	\$2,508	\$49,073	4,256	13.99%	\$350,705	FY99
FY00	\$2,894	\$52,278	4,609	14.07%	\$371,878	FY00
FY01	\$2,913	\$51,371	4,723	14.05%	\$365,349	FY01
FY02	\$2,704	\$48,283	4,666	14.64%	\$329,952	FY02
FY03	\$2,742	\$49,208	4,643	15.29%	\$322,193	FY03
FY04	\$2,917	\$51,963	4,678	14.52%	\$359,375	FY04
FY05	\$3,125	\$54,073	4,811	13.15%	\$412,555	FY05
FY06	\$3,703	\$59,835	5,153	13.39%	\$447,979	FY06
FY07	\$3,923	\$62,512	5,234	13.34%	\$467,476	FY07
FY08	\$3,885	\$62,339	5,193	13.46%	\$464,479	FY08
FY09	\$3,280	\$52,349	5,223	12.34%	\$424,915	FY09
FY10	\$3,391	\$54,359	5,200	12.16%	\$446,633	FY10
FY11	\$3,414	\$55,300	5,146	11.62%	\$475,985	FY11
FY12	\$3,517	\$57,940	5,058	11.92%	\$485,896	FY12
FY13	\$3,652	\$60,310	5,047	12.04%	\$500,884	FY13

PERCENT CHANGE YEAR AGO

	Game Win	Win per Game	Average Number of Games	Average Game Win Percent	Drop per Game	
FY92	-6.5%	-4.9%	-1.7%	-0.05%	-4.6%	FY92
FY93	2.1%	6.2%	-3.8%	-0.22%	7.8%	FY93
FY94	17.3%	10.4%	5.9%	0.42%	7.4%	FY94
FY95	8.9%	0.5%	8.7%	-0.19%	2.0%	FY95
FY96	8.4%	6.4%	2.0%	-0.39%	9.0%	FY96
FY97	-1.9%	-7.5%	5.9%	0.29%	-9.1%	FY97
FY98	2.8%	0.5%	2.4%	-0.21%	2.0%	FY98
FY99	4.7%	3.0%	1.6%	0.25%	0.8%	FY99
FY00	15.4%	6.5%	8.3%	0.08%	6.0%	FY00
FY01	0.6%	-1.7%	2.5%	-0.02%	-1.8%	FY01
FY02	-7.2%	-6.0%	-1.2%	0.59%	-9.7%	FY02
FY03	1.4%	1.9%	-0.5%	0.65%	-2.4%	FY03
FY04	6.4%	5.6%	0.7%	-0.77%	11.5%	FY04
FY05	7.1%	4.1%	2.9%	-1.37%	14.8%	FY05
FY06	18.5%	10.7%	7.1%	0.24%	8.6%	FY06
FY07	6.0%	4.5%	1.6%	-0.05%	4.4%	FY07
FY08	-1.0%	-0.3%	-0.8%	0.12%	-0.6%	FY08
FY09	-15.6%	-16.0%	0.6%	-1.12%	-8.5%	FY09
FY10	3.4%	3.8%	-0.4%	-0.18%	5.1%	FY10
FY11	0.7%	1.7%	-1.0%	-0.54%	6.6%	FY11
FY12	3.0%	4.8%	-1.7%	0.30%	2.1%	FY12
FY13	3.9%	4.1%	-0.2%	0.12%	3.1%	FY13

TABLE 3-Q: CLARK COUNTY

GAME MARKET STATISTICS - CLARK COUNTY

Historical: 2007:3rd Quarter - 2011:1st Quarter and Forecast: 2011:2nd Quarter - 2013:2nd Quarter

Statistics are based on Quarterly Business Activity Period (Example: 2008Q3 = June 2008, July 2008, and August 2008)

	Game Win (Millions of \$'s)	Win per Game (Average per Month)	Average Number of Games (FY Average)	Average Game Win Percent (FY Average)	Drop per Game (Average per Month)	
FY08 2007Q3	\$946	\$60,355	5,227	14.45%	\$417,717	2007Q3
FY08 2007Q4	\$960	\$62,245	5,142	13.56%	\$459,104	2007Q4
FY08 2008Q1	\$1,105	\$70,873	5,199	12.87%	\$550,586	2008Q1
FY08 2008Q2	\$873	\$55,883	5,205	12.98%	\$430,508	2008Q2
FY09 2008Q3	\$844	\$54,258	5,185	12.69%	\$427,732	2008Q3
FY09 2008Q4	\$806	\$51,676	5,202	12.80%	\$403,767	2008Q4
FY09 2009Q1	\$840	\$53,462	5,238	11.57%	\$462,148	2009Q1
FY09 2009Q2	\$790	\$50,000	5,266	12.31%	\$406,013	2009Q2
FY10 2009Q3	\$769	\$49,140	5,215	12.67%	\$387,803	2009Q3
FY10 2009Q4	\$839	\$54,787	5,107	12.20%	\$449,222	2009Q4
FY10 2010Q1	\$1,028	\$65,526	5,229	12.64%	\$518,306	2010Q1
FY10 2010Q2	\$755	\$47,982	5,247	11.13%	\$431,203	2010Q2
FY11 2010Q3	\$807	\$51,457	5,227	10.65%	\$483,018	2010Q3
FY11 2010Q4	\$875	\$57,332	5,087	12.60%	\$455,133	2010Q4
FY11 2011Q1	\$952	\$61,642	5,145	11.91%	\$517,603	2011Q1
FY11 2011Q2	\$780	\$50,768	5,124	11.33%	\$448,186	2011Q2
FY12 2011Q3	\$850	\$55,955	5,065	11.65%	\$480,162	2011Q3
FY12 2011Q4	\$901	\$59,356	5,060	12.70%	\$467,490	2011Q4
FY12 2012Q1	\$977	\$64,403	5,055	11.97%	\$538,077	2012Q1
FY12 2012Q2	\$789	\$52,047	5,052	11.37%	\$457,855	2012Q2
FY13 2012Q3	\$878	\$57,935	5,050	11.73%	\$493,767	2012Q3
FY13 2012Q4	\$932	\$61,548	5,047	12.82%	\$480,212	2012Q4
FY13 2013Q1	\$1,024	\$67,654	5,046	12.13%	\$557,776	2013Q1
FY13 2013Q2	\$819	\$54,102	5,044	11.47%	\$471,783	2013Q2

PERCENT CHANGE YEAR AGO

	Game Win	Win per Game	Average Number of Games	Average Game Win Percent	Drop per Game	
FY08 2007Q3	12.8%	14.4%	-1.4%	1.58%	1.9%	2007Q3
FY08 2007Q4	-2.9%	-1.7%	-1.2%	0.13%	-2.6%	2007Q4
FY08 2008Q1	-3.6%	-3.6%	0.0%	-0.89%	3.1%	2008Q1
FY08 2008Q2	-8.0%	-7.6%	-0.4%	-0.33%	-5.3%	2008Q2
FY09 2008Q3	-10.8%	-10.1%	-0.8%	-1.76%	2.4%	2008Q3
FY09 2008Q4	-16.0%	-17.0%	1.2%	-0.76%	-12.1%	2008Q4
FY09 2009Q1	-24.0%	-24.6%	0.8%	-1.30%	-16.1%	2009Q1
FY09 2009Q2	-9.5%	-10.5%	1.2%	-0.67%	-5.7%	2009Q2
FY10 2009Q3	-8.9%	-9.4%	0.6%	-0.01%	-9.3%	2009Q3
FY10 2009Q4	4.1%	6.0%	-1.8%	-0.60%	11.3%	2009Q4
FY10 2010Q1	22.4%	22.6%	-0.2%	1.07%	12.2%	2010Q1
FY10 2010Q2	-4.4%	-4.0%	-0.4%	-1.19%	6.2%	2010Q2
FY11 2010Q3	5.0%	4.7%	0.2%	-2.02%	24.6%	2010Q3
FY11 2010Q4	4.2%	4.6%	-0.4%	0.40%	1.3%	2010Q4
FY11 2011Q1	-7.4%	-5.9%	-1.6%	-0.73%	-0.1%	2011Q1
FY11 2011Q2	3.3%	5.8%	-2.3%	0.20%	3.9%	2011Q2
FY12 2011Q3	5.4%	8.7%	-3.1%	1.00%	-0.6%	2011Q3
FY12 2011Q4	3.0%	3.5%	-0.5%	0.10%	2.7%	2011Q4
FY12 2012Q1	2.6%	4.5%	-1.8%	0.06%	4.0%	2012Q1
FY12 2012Q2	1.1%	2.5%	-1.4%	0.04%	2.2%	2012Q2
FY13 2012Q3	3.2%	3.5%	-0.3%	0.08%	2.8%	2012Q3
FY13 2012Q4	3.4%	3.7%	-0.3%	0.12%	2.7%	2012Q4
FY13 2013Q1	4.9%	5.0%	-0.2%	0.16%	3.7%	2013Q1
FY13 2013Q2	3.8%	3.9%	-0.2%	0.10%	3.0%	2013Q2

TABLE 2-FY: WASHOE COUNTY**SLOT MARKET STATISTICS - WASHOE COUNTY**

Historical: FY1991 - FY2010 and Forecast: FY2011 - FY2013

Statistics are based on Fiscal Year Activity Period: June 30 - May 31

	Slot Win (Millions of \$'s)	Win per Slot (Average per Month)	Average Number of Slot Machines (FY Average)	Average Slot Win Percent (FY Average)	Coin-In per Slot (Average per Month)	
FY91	\$554	\$1,821	25,358	5.40%	\$33,692	FY91
FY92	\$601	\$1,972	25,383	5.32%	\$36,967	FY92
FY93	\$625	\$1,999	26,074	5.16%	\$38,538	FY93
FY94	\$647	\$1,988	27,132	4.99%	\$39,781	FY94
FY95	\$650	\$1,964	27,594	4.91%	\$39,936	FY95
FY96	\$707	\$2,013	29,283	4.84%	\$41,421	FY96
FY97	\$703	\$1,976	29,643	4.77%	\$41,312	FY97
FY98	\$730	\$2,086	29,136	4.83%	\$43,049	FY98
FY99	\$762	\$2,222	28,534	4.84%	\$45,864	FY99
FY00	\$823	\$2,360	29,081	4.94%	\$47,719	FY00
FY01	\$832	\$2,459	28,160	4.93%	\$49,765	FY01
FY02	\$789	\$2,395	27,426	4.95%	\$48,268	FY02
FY03	\$772	\$2,417	26,633	4.98%	\$48,476	FY03
FY04	\$768	\$2,525	25,349	5.08%	\$49,664	FY04
FY05	\$780	\$2,701	24,055	5.10%	\$52,832	FY05
FY06	\$829	\$2,985	23,138	5.08%	\$58,670	FY06
FY07	\$836	\$3,138	22,186	5.10%	\$61,522	FY07
FY08	\$796	\$3,022	21,938	5.15%	\$58,577	FY08
FY09	\$693	\$2,815	20,468	5.05%	\$55,689	FY09
FY10	\$625	\$2,740	18,997	4.89%	\$55,931	FY10
FY11	\$600	\$2,732	18,300	4.85%	\$56,224	FY11
FY12	\$595	\$2,744	18,081	4.85%	\$56,529	FY12
FY13	\$593	\$2,774	17,824	4.87%	\$56,925	FY13

PERCENT CHANGE YEAR AGO

	Slot Win	Win per Slot	Average Number of Slot Machines	Average Slot Win Percent	Coin-In per Slot	
FY91	7.4%	6.8%	0.7%	-0.18%	10.4%	FY91
FY92	8.4%	8.3%	0.1%	-0.07%	9.7%	FY92
FY93	4.0%	1.4%	2.7%	-0.16%	4.2%	FY93
FY94	3.6%	-0.5%	4.1%	-0.17%	3.2%	FY94
FY95	0.4%	-1.2%	1.7%	-0.08%	0.4%	FY95
FY96	8.8%	2.5%	6.1%	-0.06%	3.7%	FY96
FY97	-0.6%	-1.8%	1.2%	-0.07%	-0.3%	FY97
FY98	3.8%	5.6%	-1.7%	0.06%	4.2%	FY98
FY99	4.3%	6.5%	-2.1%	0.00%	6.5%	FY99
FY00	8.1%	6.2%	1.9%	0.10%	4.0%	FY00
FY01	1.0%	4.2%	-3.2%	-0.01%	4.3%	FY01
FY02	-5.1%	-2.6%	-2.6%	0.02%	-3.0%	FY02
FY03	-2.2%	0.9%	-2.9%	0.03%	0.4%	FY03
FY04	-0.5%	4.5%	-4.8%	0.10%	2.5%	FY04
FY05	1.5%	7.0%	-5.1%	0.03%	6.4%	FY05
FY06	6.3%	10.5%	-3.8%	-0.02%	11.1%	FY06
FY07	0.8%	5.1%	-4.1%	0.01%	4.9%	FY07
FY08	-4.7%	-3.7%	-1.1%	0.06%	-4.8%	FY08
FY09	-13.0%	-6.9%	-6.7%	-0.11%	-4.9%	FY09
FY10	-9.8%	-2.7%	-7.2%	-0.15%	0.4%	FY10
FY11	-3.9%	-0.3%	-3.7%	-0.04%	0.5%	FY11
FY12	-0.8%	0.5%	-1.2%	0.00%	0.5%	FY12
FY13	-0.4%	1.1%	-1.4%	0.02%	0.7%	FY13

TABLE 2-Q: WASHOE COUNTY**SLOT MARKET STATISTICS - WASHOE COUNTY**

Historical: 2007:3rd Quarter - 2011:1st Quarter and Forecast: 2011:2nd Quarter - 2013:2nd Quarter

Statistics are based on Quarterly Business Activity Period (Example: 2008Q3 = June 2008, July 2008, and August 2008)

	Slot Win (Millions of \$'s)	Win per Slot (Average per Month)	Average Number of Slot Machines (FY Average)	Average Slot Win Percent (FY Average)	Coin-In per Slot (Average per Month)	
FY08 2007Q3	\$223	\$3,345	22,270	5.22%	\$64,107	2007Q3
FY08 2007Q4	\$205	\$3,080	22,229	5.21%	\$59,120	2007Q4
FY08 2008Q1	\$170	\$2,622	21,633	4.96%	\$52,904	2008Q1
FY08 2008Q2	\$197	\$3,041	21,618	5.23%	\$58,179	2008Q2
FY09 2008Q3	\$205	\$3,214	21,247	5.28%	\$60,852	2008Q3
FY09 2008Q4	\$175	\$2,778	21,045	5.17%	\$53,786	2008Q4
FY09 2009Q1	\$145	\$2,416	20,034	4.79%	\$50,423	2009Q1
FY09 2009Q2	\$167	\$2,851	19,546	4.94%	\$57,694	2009Q2
FY10 2009Q3	\$174	\$3,016	19,205	5.04%	\$59,870	2009Q3
FY10 2009Q4	\$158	\$2,762	19,126	5.00%	\$55,189	2009Q4
FY10 2010Q1	\$134	\$2,365	18,944	4.71%	\$50,238	2010Q1
FY10 2010Q2	\$158	\$2,818	18,714	4.82%	\$58,429	2010Q2
FY11 2010Q3	\$165	\$2,949	18,617	4.94%	\$59,738	2010Q3
FY11 2010Q4	\$151	\$2,730	18,396	4.95%	\$55,188	2010Q4
FY11 2011Q1	\$130	\$2,402	18,089	4.71%	\$50,982	2011Q1
FY11 2011Q2	\$155	\$2,846	18,099	4.82%	\$58,990	2011Q2
FY12 2011Q3	\$162	\$2,968	18,198	4.93%	\$60,188	2011Q3
FY12 2011Q4	\$149	\$2,741	18,110	4.94%	\$55,458	2011Q4
FY12 2012Q1	\$131	\$2,412	18,039	4.71%	\$51,230	2012Q1
FY12 2012Q2	\$154	\$2,856	17,977	4.82%	\$59,238	2012Q2
FY13 2012Q3	\$160	\$2,985	17,916	4.93%	\$60,584	2012Q3
FY13 2012Q4	\$148	\$2,760	17,855	4.94%	\$55,855	2012Q4
FY13 2013Q1	\$131	\$2,451	17,794	4.75%	\$51,627	2013Q1
FY13 2013Q2	\$154	\$2,899	17,733	4.86%	\$59,636	2013Q2

PERCENT CHANGE YEAR AGO

	Slot Win	Win per Slot	Average Number of Slot Machines	Average Slot Win Percent	Coin-In per Slot	
FY08 2007Q3	-0.6%	0.4%	-1.0%	0.06%	-0.8%	2007Q3
FY08 2007Q4	-2.9%	-2.9%	0.0%	0.10%	-4.8%	2007Q4
FY08 2008Q1	-7.1%	-5.4%	-1.9%	0.04%	-6.1%	2008Q1
FY08 2008Q2	-8.8%	-7.3%	-1.6%	0.02%	-7.7%	2008Q2
FY09 2008Q3	-8.3%	-3.9%	-4.6%	0.06%	-5.1%	2008Q3
FY09 2008Q4	-14.6%	-9.8%	-5.3%	-0.04%	-9.0%	2008Q4
FY09 2009Q1	-14.7%	-7.9%	-7.4%	-0.16%	-4.7%	2009Q1
FY09 2009Q2	-15.2%	-6.2%	-9.6%	-0.28%	-0.8%	2009Q2
FY10 2009Q3	-15.2%	-6.2%	-9.6%	-0.24%	-1.6%	2009Q3
FY10 2009Q4	-9.7%	-0.6%	-9.1%	-0.16%	2.6%	2009Q4
FY10 2010Q1	-7.5%	-2.1%	-5.4%	-0.09%	-0.4%	2010Q1
FY10 2010Q2	-5.3%	-1.1%	-4.3%	-0.12%	1.3%	2010Q2
FY11 2010Q3	-5.2%	-2.2%	-3.1%	-0.10%	-0.2%	2010Q3
FY11 2010Q4	-4.9%	-1.2%	-3.8%	-0.06%	0.0%	2010Q4
FY11 2011Q1	-3.0%	1.6%	-4.5%	0.00%	1.5%	2011Q1
FY11 2011Q2	-2.4%	1.0%	-3.3%	0.00%	1.0%	2011Q2
FY12 2011Q3	-1.6%	0.6%	-2.2%	-0.01%	0.8%	2011Q3
FY12 2011Q4	-1.2%	0.4%	-1.6%	0.00%	0.5%	2011Q4
FY12 2012Q1	0.1%	0.4%	-0.3%	0.00%	0.5%	2012Q1
FY12 2012Q2	-0.3%	0.4%	-0.7%	0.00%	0.4%	2012Q2
FY13 2012Q3	-1.0%	0.6%	-1.6%	0.00%	0.7%	2012Q3
FY13 2012Q4	-0.7%	0.7%	-1.4%	0.00%	0.7%	2012Q4
FY13 2013Q1	0.2%	1.6%	-1.4%	0.04%	0.8%	2013Q1
FY13 2013Q2	0.1%	1.5%	-1.4%	0.04%	0.7%	2013Q2

TABLE 3-FY: WASHOE COUNTY

GAMES MARKET STATISTICS - WASHOE COUNTY

Historical: FY1991 - FY2010 and Forecast: FY2011 - FY2013

Statistics are based on Fiscal Year Activity Period: June 30 - May 31

	Game Win (Millions of \$'s)	Win per Game (Average per Month)	Average Number of Games (FY Average)	Average Game Win Percent (FY Average)	Drop per Game (Average per Month)	
FY91	\$269	\$21,157	1,061	17.72%	\$119,378	FY91
FY92	\$271	\$21,763	1,038	17.50%	\$124,501	FY92
FY93	\$263	\$21,440	1,020	17.54%	\$122,148	FY93
FY94	\$273	\$22,195	1,027	17.45%	\$127,170	FY94
FY95	\$272	\$22,128	1,024	17.47%	\$126,611	FY95
FY96	\$293	\$22,488	1,086	17.30%	\$129,979	FY96
FY97	\$279	\$21,710	1,068	17.10%	\$126,876	FY97
FY98	\$277	\$22,657	1,020	16.95%	\$133,611	FY98
FY99	\$275	\$23,399	979	17.04%	\$137,390	FY99
FY00	\$290	\$24,743	977	17.47%	\$141,696	FY00
FY01	\$287	\$25,113	950	17.64%	\$142,321	FY01
FY02	\$268	\$24,199	923	17.34%	\$139,634	FY02
FY03	\$262	\$24,919	876	17.60%	\$141,509	FY03
FY04	\$244	\$24,778	821	16.76%	\$148,050	FY04
FY05	\$235	\$24,055	815	17.05%	\$141,082	FY05
FY06	\$242	\$25,377	793	17.72%	\$143,133	FY06
FY07	\$229	\$24,585	775	17.36%	\$141,595	FY07
FY08	\$218	\$24,078	755	17.64%	\$136,405	FY08
FY09	\$180	\$21,248	704	16.77%	\$126,614	FY09
FY10	\$170	\$21,453	661	17.71%	\$121,114	FY10
FY11	\$157	\$20,420	641	17.08%	\$119,563	FY11
FY12	\$156	\$20,436	638	17.09%	\$119,587	FY12
FY13	\$157	\$20,481	637	17.11%	\$119,707	FY13

PERCENT CHANGE YEAR AGO

	Game Win	Win per Game	Average Number of Games	Average Game Win Percent	Drop per Game	
FY92	0.6%	2.9%	-2.2%	-0.22%	4.3%	FY92
FY93	-3.1%	-1.5%	-1.7%	0.04%	-1.9%	FY93
FY94	4.1%	3.5%	0.7%	-0.09%	4.1%	FY94
FY95	-0.6%	-0.3%	-0.3%	0.01%	-0.4%	FY95
FY96	7.8%	1.6%	6.0%	-0.16%	2.7%	FY96
FY97	-5.0%	-3.5%	-1.7%	-0.20%	-2.4%	FY97
FY98	-0.4%	4.4%	-4.6%	-0.15%	5.3%	FY98
FY99	-0.9%	3.3%	-4.0%	0.09%	2.8%	FY99
FY00	5.5%	5.7%	-0.2%	0.43%	3.1%	FY00
FY01	-1.1%	1.5%	-2.7%	0.18%	0.4%	FY01
FY02	-6.4%	-3.6%	-2.8%	-0.30%	-1.9%	FY02
FY03	-2.3%	3.0%	-5.1%	0.26%	1.3%	FY03
FY04	-6.9%	-0.6%	-6.3%	-0.84%	4.6%	FY04
FY05	-3.6%	-2.9%	-0.7%	0.30%	-4.7%	FY05
FY06	2.7%	5.5%	-2.7%	0.66%	1.5%	FY06
FY07	-5.4%	-3.1%	-2.3%	-0.35%	-1.1%	FY07
FY08	-4.5%	-2.1%	-2.5%	0.28%	-3.7%	FY08
FY09	-17.6%	-11.8%	-6.8%	-0.88%	-7.2%	FY09
FY10	-5.4%	1.0%	-6.0%	0.94%	-4.3%	FY10
FY11	-7.8%	-4.8%	-3.1%	-0.63%	-1.3%	FY11
FY12	-0.3%	0.1%	-0.4%	0.01%	0.0%	FY12
FY13	0.1%	0.2%	-0.1%	0.02%	0.1%	FY13

TABLE 3-Q: WASHOE COUNTY

GAME MARKET STATISTICS - WASHOE COUNTY

Historical: 2007:3rd Quarter - 2011:1st Quarter and Forecast: 2011:1st Quarter - 2013:2nd Quarter

Statistics are based on Quarterly Business Activity Period (Example: 2008Q3 = June 2008, July 2008, and August 2008)

	Game Win (Millions of \$'s)	Win per Game (Average per Month)	Average Number of Games (FY Average)	Average Game Win Percent (FY Average)	Drop per Game (Average per Month)	
FY08 2007Q3	\$57	\$25,142	762	17.84%	\$140,963	2007Q3
FY08 2007Q4	\$58	\$25,423	758	17.64%	\$144,105	2007Q4
FY08 2008Q1	\$54	\$23,864	752	18.13%	\$131,638	2008Q1
FY08 2008Q2	\$49	\$21,881	748	16.97%	\$128,915	2008Q2
FY09 2008Q3	\$52	\$23,530	742	17.00%	\$138,373	2008Q3
FY09 2008Q4	\$48	\$22,182	721	16.95%	\$130,904	2008Q4
FY09 2009Q1	\$40	\$19,275	690	16.13%	\$119,524	2009Q1
FY09 2009Q2	\$40	\$20,003	661	17.00%	\$117,657	2009Q2
FY10 2009Q3	\$41	\$20,663	665	17.38%	\$118,908	2009Q3
FY10 2009Q4	\$46	\$23,408	658	17.72%	\$132,114	2009Q4
FY10 2010Q1	\$40	\$20,348	659	17.49%	\$116,314	2010Q1
FY10 2010Q2	\$43	\$21,393	663	18.27%	\$117,121	2010Q2
FY11 2010Q3	\$40	\$20,397	653	17.14%	\$119,022	2010Q3
FY11 2010Q4	\$40	\$20,921	641	16.76%	\$124,796	2010Q4
FY11 2011Q1	\$36	\$18,809	632	16.12%	\$116,692	2011Q1
FY11 2011Q2	\$41	\$21,553	636	18.31%	\$117,742	2011Q2
FY12 2011Q3	\$39	\$20,461	642	17.18%	\$119,118	2011Q3
FY12 2011Q4	\$40	\$21,101	639	16.84%	\$125,274	2011Q4
FY12 2012Q1	\$36	\$18,886	636	16.16%	\$116,884	2012Q1
FY12 2012Q2	\$41	\$21,644	634	18.35%	\$117,982	2012Q2
FY13 2012Q3	\$39	\$20,526	631	17.20%	\$119,358	2012Q3
FY13 2012Q4	\$40	\$21,167	630	16.86%	\$125,514	2012Q4
FY13 2013Q1	\$36	\$18,949	628	16.18%	\$117,124	2013Q1
FY13 2013Q2	\$41	\$21,712	626	18.37%	\$118,222	2013Q2

PERCENT CHANGE YEAR AGO

	Game Win	Win per Game	Average Number of Games	Average Game Win Percent	Drop per Game	
FY08 2007Q3	-2.5%	0.2%	-2.7%	0.35%	-1.8%	2007Q3
FY08 2007Q4	-5.0%	-0.6%	-4.4%	0.42%	-3.0%	2007Q4
FY08 2008Q1	0.8%	3.0%	-2.1%	0.92%	-2.3%	2008Q1
FY08 2008Q2	-11.4%	-10.7%	-0.8%	-0.56%	-7.7%	2008Q2
FY09 2008Q3	-8.9%	-6.4%	-2.7%	-0.83%	-1.8%	2008Q3
FY09 2008Q4	-17.0%	-12.7%	-4.9%	-0.70%	-9.2%	2008Q4
FY09 2009Q1	-25.9%	-19.2%	-8.2%	-2.00%	-9.2%	2009Q1
FY09 2009Q2	-19.1%	-8.6%	-11.5%	0.03%	-8.7%	2009Q2
FY10 2009Q3	-21.3%	-12.2%	-10.3%	0.37%	-14.1%	2009Q3
FY10 2009Q4	-3.6%	5.5%	-8.7%	0.77%	0.9%	2009Q4
FY10 2010Q1	0.7%	5.6%	-4.6%	1.37%	-2.7%	2010Q1
FY10 2010Q2	7.2%	6.9%	0.3%	1.26%	-0.5%	2010Q2
FY11 2010Q3	-3.1%	-1.3%	-1.8%	-0.24%	0.1%	2010Q3
FY11 2010Q4	-13.0%	-10.6%	-2.7%	-0.95%	-5.5%	2010Q4
FY11 2011Q1	-11.3%	-7.6%	-4.0%	-1.38%	0.3%	2011Q1
FY11 2011Q2	-3.3%	0.8%	-4.0%	0.04%	0.5%	2011Q2
FY12 2011Q3	-1.4%	0.3%	-1.7%	0.04%	0.1%	2011Q3
FY12 2011Q4	0.6%	0.9%	-0.3%	0.08%	0.4%	2011Q4
FY12 2012Q1	1.1%	0.4%	0.6%	0.04%	0.2%	2012Q1
FY12 2012Q2	0.1%	0.4%	-0.4%	0.04%	0.2%	2012Q2
FY13 2012Q3	-1.3%	0.3%	-1.6%	0.02%	0.2%	2012Q3
FY13 2012Q4	-1.1%	0.3%	-1.5%	0.02%	0.2%	2012Q4
FY13 2013Q1	-1.0%	0.3%	-1.4%	0.02%	0.2%	2013Q1
FY13 2013Q2	-1.0%	0.3%	-1.3%	0.02%	0.2%	2013Q2

TABLE 2-FY: BALANCE OF STATE**SLOT MARKET STATISTICS - BALANCE OF STATE**

Historical: FY1991 - FY2010 and Forecast: FY2011 - FY2013

Statistics are based on Fiscal Year Activity Period: June 30 - May 31

	Slot Win (Millions of \$'s)	Win per Slot (Average per Month)	Average Number of Slot Machines (FY Average)	Average Slot Win Percent (FY Average)	Coin-In per Slot (Average per Month)	
FY91	\$343	\$1,518	18,879	5.80%	\$26,039	FY91
FY92	\$369	\$1,619	19,014	5.53%	\$29,200	FY92
FY93	\$392	\$1,679	19,481	5.32%	\$31,356	FY93
FY94	\$420	\$1,787	19,586	5.08%	\$35,050	FY94
FY95	\$430	\$1,776	20,169	4.91%	\$36,106	FY95
FY96	\$462	\$1,804	21,405	4.87%	\$36,948	FY96
FY97	\$461	\$1,712	22,454	4.73%	\$36,080	FY97
FY98	\$486	\$1,795	22,562	4.77%	\$37,557	FY98
FY99	\$524	\$1,913	22,846	4.92%	\$38,856	FY99
FY00	\$565	\$2,035	23,146	4.95%	\$41,077	FY00
FY01	\$580	\$2,056	23,497	4.95%	\$41,537	FY01
FY02	\$595	\$2,078	23,857	5.19%	\$39,956	FY02
FY03	\$598	\$2,156	23,079	5.28%	\$40,792	FY03
FY04	\$623	\$2,242	23,167	5.47%	\$40,923	FY04
FY05	\$675	\$2,403	23,408	5.82%	\$41,246	FY05
FY06	\$721	\$2,580	23,307	5.83%	\$44,225	FY06
FY07	\$742	\$2,622	23,580	5.99%	\$43,754	FY07
FY08	\$750	\$2,629	23,765	6.22%	\$42,215	FY08
FY09	\$674	\$2,393	23,478	6.12%	\$39,017	FY09
FY10	\$605	\$2,286	22,035	6.06%	\$37,713	FY10
FY11	\$605	\$2,335	21,573	6.17%	\$37,820	FY11
FY12	\$605	\$2,346	21,497	6.19%	\$37,858	FY12
FY13	\$605	\$2,352	21,446	6.20%	\$37,904	FY13

PERCENT CHANGE YEAR AGO

	Slot Win	Win per Slot	Average Number of Slot Machines	Average Slot Win Percent	Coin-In per Slot	
FY91	2.7%	1.0%	1.8%	-0.27%	5.6%	FY91
FY92	7.6%	6.7%	0.7%	-0.27%	12.1%	FY92
FY93	6.2%	3.7%	2.5%	-0.21%	7.4%	FY93
FY94	7.0%	6.5%	0.5%	-0.25%	11.8%	FY94
FY95	2.4%	-0.6%	3.0%	-0.17%	3.0%	FY95
FY96	7.5%	1.6%	6.1%	-0.04%	2.3%	FY96
FY97	-0.2%	-5.1%	4.9%	-0.14%	-2.4%	FY97
FY98	5.3%	4.8%	0.5%	0.04%	4.1%	FY98
FY99	7.9%	6.6%	1.3%	0.14%	3.5%	FY99
FY00	7.8%	6.4%	1.3%	0.03%	5.7%	FY00
FY01	2.6%	1.0%	1.5%	0.00%	1.1%	FY01
FY02	2.6%	1.1%	1.5%	0.25%	-3.8%	FY02
FY03	0.4%	3.7%	-3.3%	0.09%	2.1%	FY03
FY04	4.2%	4.0%	0.4%	0.19%	0.3%	FY04
FY05	8.4%	7.2%	1.0%	0.35%	0.8%	FY05
FY06	6.9%	7.4%	-0.4%	0.01%	7.2%	FY06
FY07	2.8%	1.6%	1.2%	0.16%	-1.1%	FY07
FY08	1.1%	0.3%	0.8%	0.23%	-3.5%	FY08
FY09	-10.0%	-9.0%	-1.2%	-0.10%	-7.6%	FY09
FY10	-10.3%	-4.5%	-6.1%	-0.07%	-3.3%	FY10
FY11	0.0%	2.2%	-2.1%	0.11%	0.3%	FY11
FY12	0.1%	0.4%	-0.4%	0.02%	0.1%	FY12
FY13	0.0%	0.3%	-0.2%	0.01%	0.1%	FY13

TABLE 2-Q: BALANCE OF STATE**SLOT MARKET STATISTICS - BALANCE OF STATE**

Historical: 2007:3rd Quarter - 2010:1st Quarter and Forecast: 2011:2nd Quarter - 2013:2nd Quarter

Statistics are based on Quarterly Business Activity Period (Example: 2008Q3 = June 2008, July 2008, and August 2008)

	Slot Win (Millions of \$'s)	Win per Slot (Average per Month)	Average Number of Slot Machines (FY Average)	Average Slot Win Percent (FY Average)	Coin-In per Slot (Average per Month)	
FY08 2007Q3	\$205	\$2,869	23,813	6.27%	\$45,774	2007Q3
FY08 2007Q4	\$193	\$2,708	23,772	6.36%	\$42,603	2007Q4
FY08 2008Q1	\$164	\$2,295	23,803	6.07%	\$37,808	2008Q1
FY08 2008Q2	\$188	\$2,644	23,672	6.20%	\$42,673	2008Q2
FY09 2008Q3	\$195	\$2,754	23,642	6.33%	\$43,514	2008Q3
FY09 2008Q4	\$171	\$2,407	23,626	6.17%	\$38,993	2008Q4
FY09 2009Q1	\$148	\$2,090	23,555	6.00%	\$34,808	2009Q1
FY09 2009Q2	\$161	\$2,322	23,088	5.99%	\$38,753	2009Q2
FY10 2009Q3	\$164	\$2,442	22,411	6.17%	\$39,553	2009Q3
FY10 2009Q4	\$152	\$2,277	22,241	6.10%	\$37,321	2009Q4
FY10 2010Q1	\$134	\$2,051	21,815	5.85%	\$35,088	2010Q1
FY10 2010Q2	\$154	\$2,374	21,673	6.10%	\$38,891	2010Q2
FY11 2010Q3	\$163	\$2,497	21,732	6.27%	\$39,816	2010Q3
FY11 2010Q4	\$150	\$2,308	21,600	6.17%	\$37,421	2010Q4
FY11 2011Q1	\$136	\$2,114	21,502	6.04%	\$35,003	2011Q1
FY11 2011Q2	\$156	\$2,422	21,459	6.20%	\$39,042	2011Q2
FY12 2011Q3	\$163	\$2,538	21,427	6.35%	\$39,967	2011Q3
FY12 2011Q4	\$150	\$2,334	21,395	6.21%	\$37,603	2011Q4
FY12 2012Q1	\$137	\$2,144	21,363	6.07%	\$35,337	2012Q1
FY12 2012Q2	\$157	\$2,455	21,331	6.23%	\$39,407	2012Q2
FY13 2012Q3	\$164	\$2,571	21,309	6.37%	\$40,332	2012Q3
FY13 2012Q4	\$151	\$2,367	21,288	6.23%	\$37,984	2012Q4
FY13 2013Q1	\$139	\$2,174	21,267	6.09%	\$35,719	2013Q1
FY13 2013Q2	\$158	\$2,486	21,245	6.25%	\$39,791	2013Q2

PERCENT CHANGE YEAR AGO

	Slot Win	Win per Slot	Average Number of Slot Machines	Average Slot Win Percent	Coin-In per Slot	
FY08 2007Q3	4.6%	3.6%	0.9%	0.26%	-0.7%	2007Q3
FY08 2007Q4	3.8%	2.2%	1.5%	0.31%	-2.8%	2007Q4
FY08 2008Q1	-4.0%	-5.2%	1.3%	0.13%	-7.2%	2008Q1
FY08 2008Q2	-0.7%	-0.2%	-0.5%	0.23%	-3.8%	2008Q2
FY09 2008Q3	-4.7%	-4.0%	-0.7%	0.06%	-4.9%	2008Q3
FY09 2008Q4	-11.6%	-11.1%	-0.6%	-0.18%	-8.5%	2008Q4
FY09 2009Q1	-9.9%	-8.9%	-1.0%	-0.07%	-7.9%	2009Q1
FY09 2009Q2	-14.4%	-12.2%	-2.5%	-0.21%	-9.2%	2009Q2
FY10 2009Q3	-16.0%	-11.3%	-5.2%	-0.16%	-9.1%	2009Q3
FY10 2009Q4	-11.0%	-5.4%	-5.9%	-0.07%	-4.3%	2009Q4
FY10 2010Q1	-9.1%	-1.9%	-7.4%	-0.16%	0.8%	2010Q1
FY10 2010Q2	-4.0%	2.2%	-6.1%	0.11%	0.4%	2010Q2
FY11 2010Q3	-0.9%	2.2%	-3.0%	0.10%	0.7%	2010Q3
FY11 2010Q4	-1.5%	1.4%	-2.9%	0.07%	0.3%	2010Q4
FY11 2011Q1	1.6%	3.0%	-1.4%	0.19%	-0.2%	2011Q1
FY11 2011Q2	1.0%	2.0%	-1.0%	0.10%	0.4%	2011Q2
FY12 2011Q3	0.2%	1.7%	-1.4%	0.08%	0.4%	2011Q3
FY12 2011Q4	0.2%	1.1%	-1.0%	0.04%	0.5%	2011Q4
FY12 2012Q1	0.8%	1.4%	-0.6%	0.03%	1.0%	2012Q1
FY12 2012Q2	0.8%	1.4%	-0.6%	0.03%	0.9%	2012Q2
FY13 2012Q3	0.7%	1.3%	-0.5%	0.02%	0.9%	2012Q3
FY13 2012Q4	0.9%	1.4%	-0.5%	0.02%	1.0%	2012Q4
FY13 2013Q1	1.0%	1.4%	-0.4%	0.02%	1.1%	2013Q1
FY13 2013Q2	0.9%	1.3%	-0.4%	0.02%	1.0%	2013Q2

TABLE 3-FY: BALANCE OF STATE**GAMES MARKET STATISTICS - BALANCE OF STATE**

Historical: FY1991 - FY2010 and Forecast: FY2011 - FY2013

Statistics are based on Fiscal Year Activity Period: June 30 - May 31

	Game Win (Millions of \$'s)	Win per Game (Average per Month)	Average Number of Games (FY Average)	Average Game Win Percent (FY Average)	Drop per Game (Average per Month)	
FY91	\$225	\$20,710	905	17.93%	\$115,611	FY91
FY92	\$215	\$20,354	881	16.83%	\$120,030	FY92
FY93	\$211	\$20,507	859	16.78%	\$122,693	FY93
FY94	\$204	\$20,135	845	16.29%	\$124,261	FY94
FY95	\$232	\$23,091	836	17.77%	\$129,632	FY95
FY96	\$212	\$20,431	864	17.13%	\$119,580	FY96
FY97	\$201	\$19,632	852	17.64%	\$111,168	FY97
FY98	\$173	\$17,401	827	15.96%	\$109,985	FY98
FY99	\$192	\$20,187	792	16.66%	\$121,068	FY99
FY00	\$193	\$20,212	796	16.28%	\$124,189	FY00
FY01	\$199	\$21,489	771	17.14%	\$124,600	FY01
FY02	\$180	\$19,763	757	16.89%	\$117,159	FY02
FY03	\$181	\$20,792	727	17.16%	\$121,199	FY03
FY04	\$184	\$21,400	718	17.69%	\$121,123	FY04
FY05	\$170	\$18,751	757	16.48%	\$114,578	FY05
FY06	\$181	\$19,723	766	17.89%	\$110,367	FY06
FY07	\$181	\$19,467	776	17.42%	\$111,611	FY07
FY08	\$173	\$18,771	769	17.74%	\$106,101	FY08
FY09	\$144	\$16,773	712	17.20%	\$97,788	FY09
FY10	\$129	\$17,038	630	18.25%	\$93,642	FY10
FY11	\$121	\$16,162	625	17.70%	\$91,983	FY11
FY12	\$121	\$16,221	620	17.78%	\$91,896	FY12
FY13	\$121	\$16,410	615	17.86%	\$92,541	FY13

PERCENT CHANGE YEAR AGO

	Game Win	Win per Game	Average Number of Games	Average Game Win Percent	Drop per Game	
FY92	-4.2%	-1.7%	-2.7%	-1.10%	3.8%	FY92
FY93	-1.8%	0.7%	-2.5%	-0.05%	2.2%	FY93
FY94	-3.3%	-1.8%	-1.6%	-0.48%	1.3%	FY94
FY95	13.4%	14.7%	-1.1%	1.47%	4.3%	FY95
FY96	-8.7%	-11.5%	3.3%	-0.64%	-7.8%	FY96
FY97	-5.1%	-3.9%	-1.3%	0.51%	-7.0%	FY97
FY98	-14.0%	-11.4%	-3.0%	-1.68%	-1.1%	FY98
FY99	11.0%	16.0%	-4.2%	0.70%	10.1%	FY99
FY00	0.8%	0.1%	0.5%	-0.38%	2.6%	FY00
FY01	3.0%	6.3%	-3.2%	0.86%	0.3%	FY01
FY02	-9.8%	-8.0%	-1.8%	-0.26%	-6.0%	FY02
FY03	0.9%	5.2%	-4.0%	0.28%	3.4%	FY03
FY04	1.7%	2.9%	-1.2%	0.52%	-0.1%	FY04
FY05	-7.7%	-12.4%	5.4%	-1.20%	-5.4%	FY05
FY06	6.4%	5.2%	1.1%	1.41%	-3.7%	FY06
FY07	0.0%	-1.3%	1.3%	-0.48%	1.1%	FY07
FY08	-4.4%	-3.6%	-0.8%	0.33%	-4.9%	FY08
FY09	-17.0%	-10.6%	-7.5%	-0.54%	-7.8%	FY09
FY10	-10.5%	1.6%	-11.5%	1.05%	-4.2%	FY10
FY11	-5.7%	-5.1%	-0.7%	-0.55%	-1.8%	FY11
FY12	-0.5%	0.4%	-0.9%	0.08%	-0.1%	FY12
FY13	0.4%	1.2%	-0.8%	0.08%	0.7%	FY13

TABLE 3-Q: BALANCE OF STATE

GAME MARKET STATISTICS - BALANCE OF STATE

Historical: 2007:3rd Quarter - 2011:1st Quarter and Forecast: 2011:2nd Quarter - 2013:2nd Quarter

Statistics are based on Quarterly Business Activity Period (Example: 2008Q3 = June 2008, July 2008, and August 2008)

	Game Win	Win per Game	Average Number of	Average Game	Drop per Game	
	(Millions of \$'s)	(Average per Month)	Games	Win Percent	(Average per Month)	
			(FY Average)	(FY Average)		
FY08 2007Q3	\$44	\$18,775	783	16.33%	\$114,986	2007Q3
FY08 2007Q4	\$40	\$17,382	773	16.88%	\$102,979	2007Q4
FY08 2008Q1	\$46	\$20,166	759	18.47%	\$109,153	2008Q1
FY08 2008Q2	\$43	\$18,760	762	19.28%	\$97,287	2008Q2
FY09 2008Q3	\$43	\$19,275	748	16.74%	\$115,156	2008Q3
FY09 2008Q4	\$35	\$16,189	727	17.96%	\$90,131	2008Q4
FY09 2009Q1	\$35	\$16,656	697	16.66%	\$99,964	2009Q1
FY09 2009Q2	\$30	\$14,973	676	17.43%	\$85,901	2009Q2
FY10 2009Q3	\$33	\$17,022	651	17.26%	\$98,620	2009Q3
FY10 2009Q4	\$30	\$15,557	641	18.46%	\$84,290	2009Q4
FY10 2010Q1	\$35	\$19,102	612	17.90%	\$106,730	2010Q1
FY10 2010Q2	\$30	\$16,471	615	19.39%	\$84,928	2010Q2
FY11 2010Q3	\$31	\$16,375	627	16.65%	\$98,354	2010Q3
FY11 2010Q4	\$29	\$15,500	625	18.63%	\$83,187	2010Q4
FY11 2011Q1	\$31	\$16,523	625	16.05%	\$102,942	2011Q1
FY11 2011Q2	\$30	\$16,252	623	19.47%	\$83,450	2011Q2
FY12 2011Q3	\$31	\$16,423	622	16.73%	\$98,170	2011Q3
FY12 2011Q4	\$29	\$15,549	621	18.71%	\$83,095	2011Q4
FY12 2012Q1	\$31	\$16,593	619	16.13%	\$102,868	2012Q1
FY12 2012Q2	\$30	\$16,318	618	19.55%	\$83,450	2012Q2
FY13 2012Q3	\$31	\$16,563	617	16.81%	\$98,537	2012Q3
FY13 2012Q4	\$29	\$15,754	616	18.79%	\$83,831	2012Q4
FY13 2013Q1	\$31	\$16,795	614	16.21%	\$103,606	2013Q1
FY13 2013Q2	\$30	\$16,530	613	19.63%	\$84,189	2013Q2

PERCENT CHANGE YEAR AGO

	Game Win	Win per Game	Average Number of	Average Game	Drop per Game	
			Games	Win Percent		
FY08 2007Q3	-8.2%	-8.7%	0.6%	-0.97%	-3.3%	2007Q3
FY08 2007Q4	-5.6%	-6.4%	0.8%	-0.70%	-2.5%	2007Q4
FY08 2008Q1	-9.1%	-6.8%	-2.5%	0.08%	-7.2%	2008Q1
FY08 2008Q2	7.4%	9.7%	-2.1%	2.89%	-6.7%	2008Q2
FY09 2008Q3	-2.0%	2.7%	-4.5%	0.41%	0.1%	2008Q3
FY09 2008Q4	-12.5%	-6.9%	-6.0%	1.08%	-12.5%	2008Q4
FY09 2009Q1	-24.1%	-17.4%	-8.1%	-1.81%	-8.4%	2009Q1
FY09 2009Q2	-29.3%	-20.2%	-11.4%	-1.85%	-11.7%	2009Q2
FY10 2009Q3	-23.1%	-11.7%	-13.0%	0.52%	-14.4%	2009Q3
FY10 2009Q4	-15.2%	-3.9%	-11.8%	0.49%	-6.5%	2009Q4
FY10 2010Q1	0.6%	14.7%	-12.2%	1.24%	6.8%	2010Q1
FY10 2010Q2	0.2%	10.0%	-8.9%	1.96%	-1.1%	2010Q2
FY11 2010Q3	-7.3%	-3.8%	-3.6%	-0.61%	-0.3%	2010Q3
FY11 2010Q4	-2.8%	-0.4%	-2.4%	0.18%	-1.3%	2010Q4
FY11 2011Q1	-11.6%	-13.5%	2.2%	-1.85%	-3.5%	2011Q1
FY11 2011Q2	0.0%	-1.3%	1.3%	0.08%	-1.7%	2011Q2
FY12 2011Q3	-0.6%	0.3%	-0.9%	0.08%	-0.2%	2011Q3
FY12 2011Q4	-0.4%	0.3%	-0.7%	0.08%	-0.1%	2011Q4
FY12 2012Q1	-0.5%	0.4%	-0.9%	0.08%	-0.1%	2012Q1
FY12 2012Q2	-0.4%	0.4%	-0.8%	0.08%	0.0%	2012Q2
FY13 2012Q3	0.1%	0.9%	-0.8%	0.08%	0.4%	2012Q3
FY13 2012Q4	0.5%	1.3%	-0.8%	0.08%	0.9%	2012Q4
FY13 2013Q1	0.4%	1.2%	-0.8%	0.08%	0.7%	2013Q1
FY13 2013Q2	0.5%	1.3%	-0.8%	0.08%	0.9%	2013Q2

LIVE ENTERTAINMENT TAX COLLECTIONS FORECAST – GAMING

prepared for: **Nevada Economic Forum**
by: **LCB-Fiscal Analysis Division**
date: **May 2, 2011**



The FY 2011, FY 2012, and FY 2013 Forecast

The Fiscal Analysis Division is projecting total Live Entertainment Tax (LET) collections from gaming establishments to increase by 5.2% in FY 2011 to \$113.9 million; increase by 3.2% in FY 2012 to \$117.5 million; and increase by 3.6% in FY 2013 to \$121.7 million.

Tax Overview

- Senate Bill 8 (20th Special Session) modified the old Casino Entertainment Tax (CET) to include establishments previously not subject to the 10% tax and changes were also made to the types of entertainment subject to the CET tax. These changes were effective September 1, 2003 to December 31, 2003.
- Effective January 1, 2004, Senate Bill 8 made additional changes to the old CET and the tax was expanded to include entertainment at non-gaming establishments. The tax is now known as the Live Entertainment Tax (LET). The tax rate and base depends on the maximum occupancy/seats of the facility in which the live entertainment tax is conducted. In general, the LET is 5% of the admissions price for live entertainment held in a facility with a maximum occupancy or seating capacity of 7,500 or more seats. The tax is 10% of the admissions price, food, beverage, and merchandise purchased, if the facility has a maximum occupancy of more than 300 and up to 7,500.
- Assembly Bill 554 (2005 Session) lowered the occupancy threshold used to determine whether a liability exists for the LET from 300 to 200.

FY 2011 Year-to-Date Collections and Forecast

- Actual collections in the first quarter of FY 2011 (July - September 2010) were down 0.2% compared to the first quarter of FY 2010, which was down 11.5%. Actual collections in the second quarter of FY 2011 (October – December 2010) were up 3.9% compared to the first quarter of FY 2010, which was down 4.5%.
- Actual collections in the first two months of the third quarter (January and February 2011) are up 11.1% compared to the same two months in FY 2010. January increased by 9.5% and February by 12.8%.
- Fiscal year-to-date through the first eight months of FY 2011, actual collections are 4.0% above the same period in FY 2010, which was actually down 6.3% compared to FY 2009.
- LET collections for FY 2011 are forecast to increase by 5.2% in FY 2011. Based on actual collections being up 4.0% fiscal year-to-date through the first eight months, collections are projected to increase by an average of 7.6% over the remaining four months of FY 2011. This required average growth of 7.6% is compared to an average increase of 1.6% over the last four months of FY 2010.
- Fiscal Division's May 2011 LET forecast for FY 2011 is approximately \$4.0 million higher than the December 2010 forecast for FY 2011 presented at the Economic Forum's December 1 meeting.
- In dollar terms, the May 2011 LET forecast for FY 2012 and FY 2013 are approximately \$5.0 million and \$5.2 million higher, respectively, than the forecasts presented at the December 1 meeting.

LIVE ENTERTAINMENT TAX COLLECTIONS FORECAST FROM GAMING ESTABLISHMENTS FOR FY 2011, FY 2012, and FY 2013

	CET/LET		Inflation Adjusted CET/LET		Consumer Price Index		Las Vegas Visitor Volume		CET/LET Collections Per Visitor		Inflation Adjusted CET/LET Collections Per Visitor	
	Collections	% Change	Collections	% Change		% Change		% Change		% Change		% Change
FY90	\$17,927,622		\$14,106,378		1.270		19,333,843		0.928		0.731	
FY91	\$21,084,104	17.6%	\$15,752,671	11.7%	1.339	5.5%	21,096,460	9.1%	0.998	7.6%	0.746	2.1%
FY92	\$22,188,924	5.2%	\$16,058,267	1.9%	1.382	3.2%	21,666,304	2.7%	1.023	2.5%	0.740	-0.7%
FY93	\$23,026,729	3.8%	\$16,156,794	0.6%	1.425	3.1%	22,464,355	3.7%	1.025	0.2%	0.719	-2.9%
FY94	\$26,178,281	13.7%	\$17,896,044	10.8%	1.462	2.6%	26,297,358	17.1%	0.996	-2.8%	0.681	-5.3%
FY95	\$29,944,330	14.4%	\$19,910,663	11.2%	1.504	2.9%	28,581,702	8.7%	1.047	5.1%	0.696	2.2%
FY96	\$35,458,188	18.4%	\$22,951,060	15.3%	1.545	2.7%	29,224,601	2.2%	1.213	15.9%	0.785	12.8%
FY97	\$36,316,361	2.4%	\$22,854,494	-0.4%	1.589	2.9%	30,266,442	3.6%	1.199	-1.2%	0.755	-3.9%
FY98	\$39,109,465	7.7%	\$24,182,015	5.8%	1.618	1.8%	30,250,609	-0.1%	1.293	7.8%	0.799	5.9%
FY99	\$47,874,652	22.4%	\$29,080,849	20.3%	1.646	1.7%	32,049,240	5.9%	1.491	15.3%	0.906	13.3%
FY00	\$58,525,659	22.2%	\$34,565,512	18.9%	1.693	2.9%	35,176,393	9.8%	1.663	11.5%	0.982	8.4%
FY01	\$63,919,197	9.2%	\$36,506,348	5.6%	1.751	3.4%	36,068,291	2.5%	1.772	6.5%	1.012	3.0%
FY02	\$64,817,715	1.4%	\$36,373,271	-0.4%	1.782	1.8%	34,597,944	-4.1%	1.872	5.7%	1.051	3.8%
FY03	\$70,212,815	8.3%	\$38,556,128	6.0%	1.821	2.2%	35,013,938	1.2%	2.005	7.1%	1.101	4.8%
FY04	\$83,994,554	19.6%	\$45,114,582	17.0%	1.861	2.2%	36,681,451	4.8%	2.289	14.1%	1.229	11.6%
FY05	\$99,368,305	18.3%	\$51,815,413	14.9%	1.917	3.0%	37,896,763	3.3%	2.621	14.5%	1.367	11.2%
FY06	\$108,420,425	9.1%	\$54,497,320	5.2%	1.989	3.8%	38,649,698	2.0%	2.806	7.1%	1.410	3.2%
FY07	\$121,655,196	12.2%	\$59,590,691	9.3%	2.041	2.6%	39,151,880	1.3%	3.107	10.8%	1.522	7.9%
FY08	\$121,638,259	0.0%	\$57,480,523	-3.5%	2.117	3.7%	39,100,988	-0.1%	3.111	0.1%	1.470	-3.4%
FY09	\$112,405,395	-7.6%	\$52,333,953	-9.0%	2.146	1.4%	36,148,453	-7.6%	3.110	0.0%	1.448	-1.5%
FY10	\$108,244,011	-3.7%	\$49,937,183	-4.6%	2.168	1.0%	36,701,986	1.5%	2.950	-5.1%	1.361	-6.0%
FY11	\$113,889,000	5.2%	\$51,647,947	3.4%	2.205	1.7%	37,920,759	3.3%	3.004	1.8%	1.361	0.0%
FY12	\$117,526,000	3.2%	\$52,252,325	1.2%	2.249	2.0%	38,590,948	1.8%	3.046	1.4%	1.354	-0.5%
FY13	\$121,708,000	3.6%	\$52,766,394	1.0%	2.306	2.5%	39,164,782	1.5%	3.108	2.0%	1.348	-0.5%

The FY95 number is adjusted to represent 12-months of collections so the growth is not distorted. FY95 was affected by a GASB 22 ruling requiring monthly collections to be associated with the month the activity occurred, not the month in which collections took place. This resulted in FY95 having 13 months of collections. The actual FY95 13-month collections were \$32,534,213.

CHART 1A - LET
Actual and Forecast Statewide Live Entertainment Tax (LET) Collections - Gaming: Quarterly
Actual: 1990:3rd Quarter - 2010:4th Quarter Forecast: 2011:1st Quarter - 2013:2nd Quarter

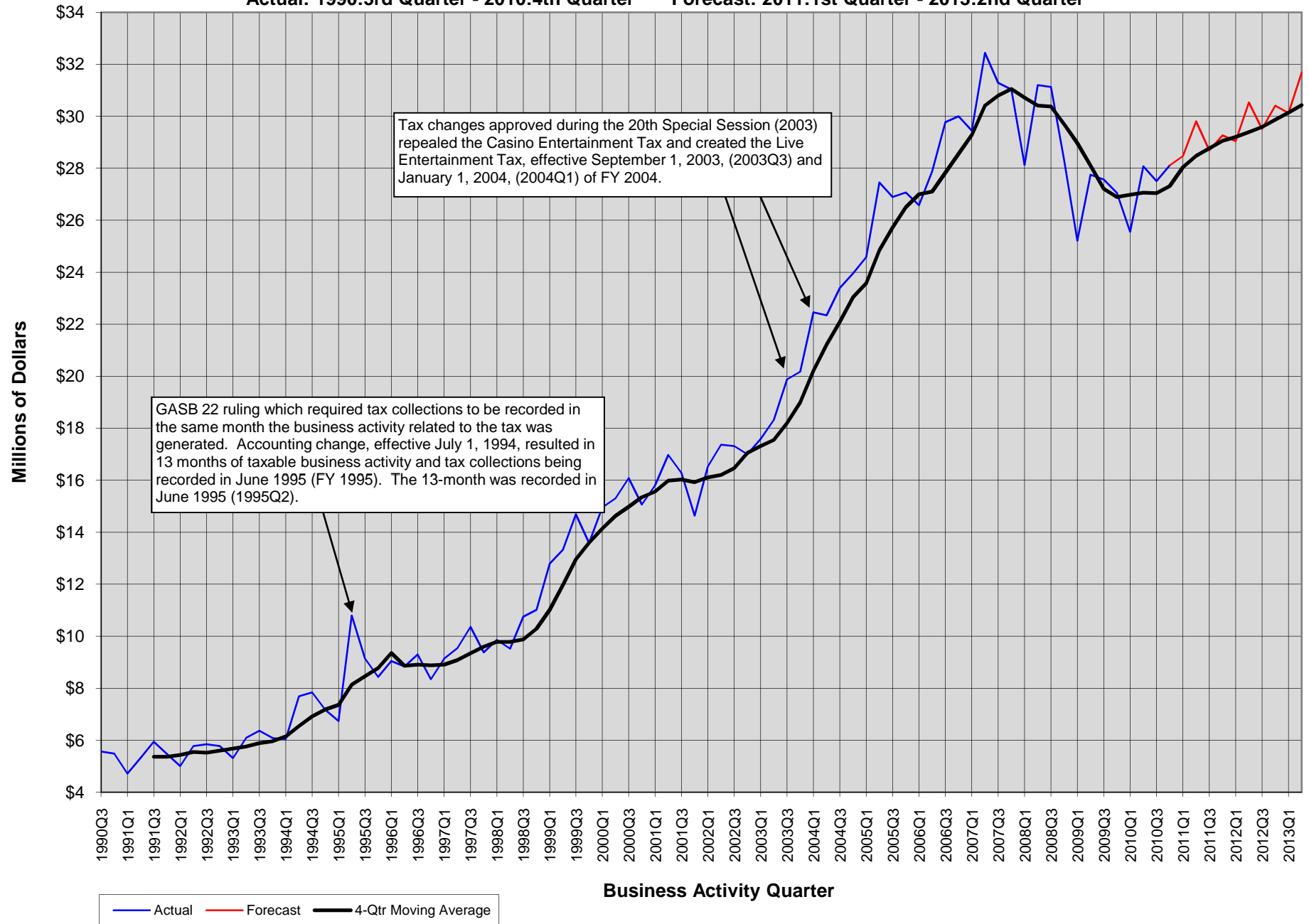


CHART 1B - LET
Growth in Statewide Live Entertainment Tax (LET) Collections - Gaming: Quarterly
Actual: 1991:3rd Quarter - 2010:4th Quarter Forecast: 2011:1st Quarter - 2013:2nd Quarter

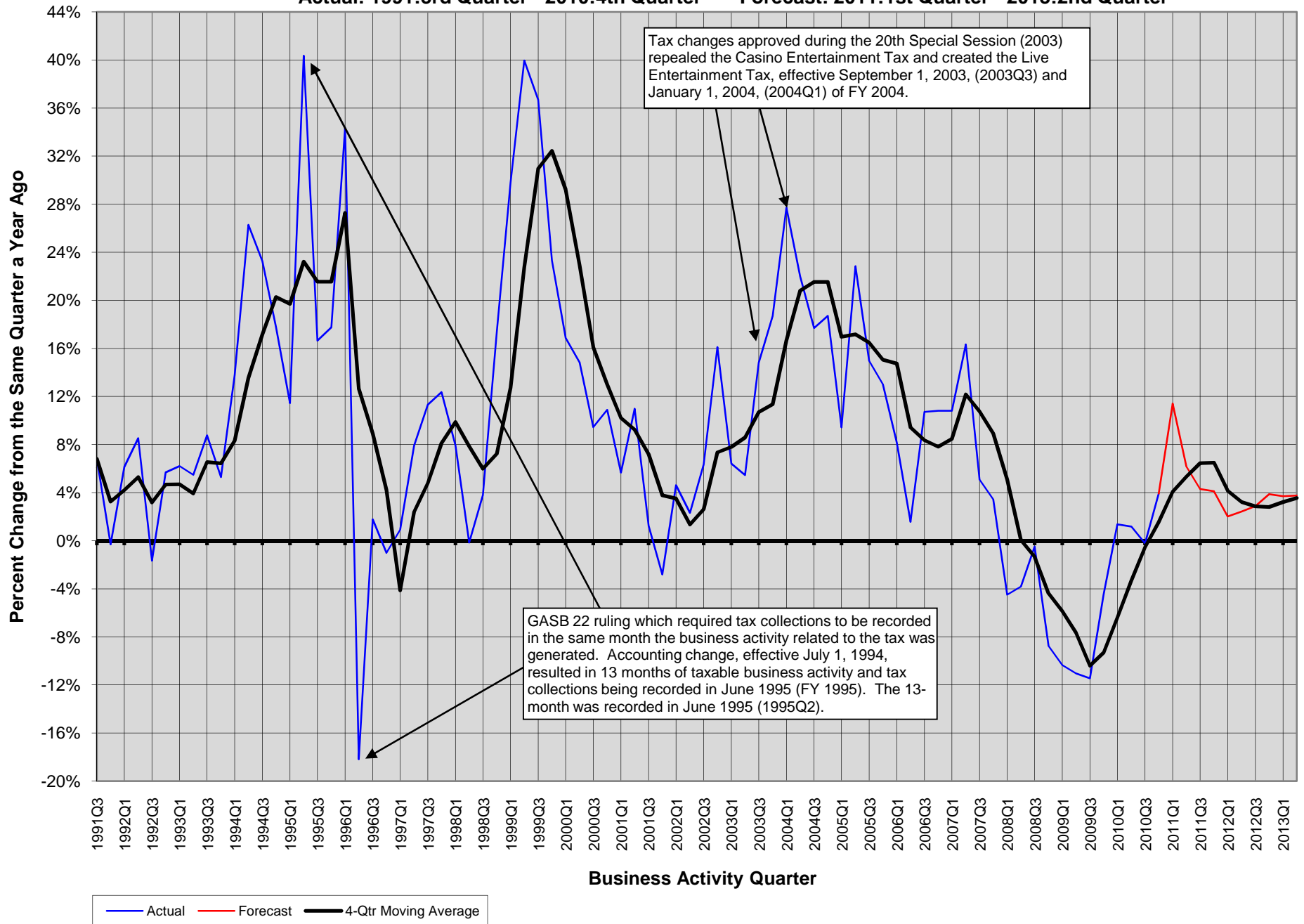


CHART 2A - LET
Actual and Forecast Statewide Live Entertainment Tax (LET) Collections - Gaming per Las Vegas Visitor :Quarterly
Actual: 1990:3rd Quarter - 2010:4th Quarter Forecast: 2011:1st Quarter - 2013:2nd Quarter

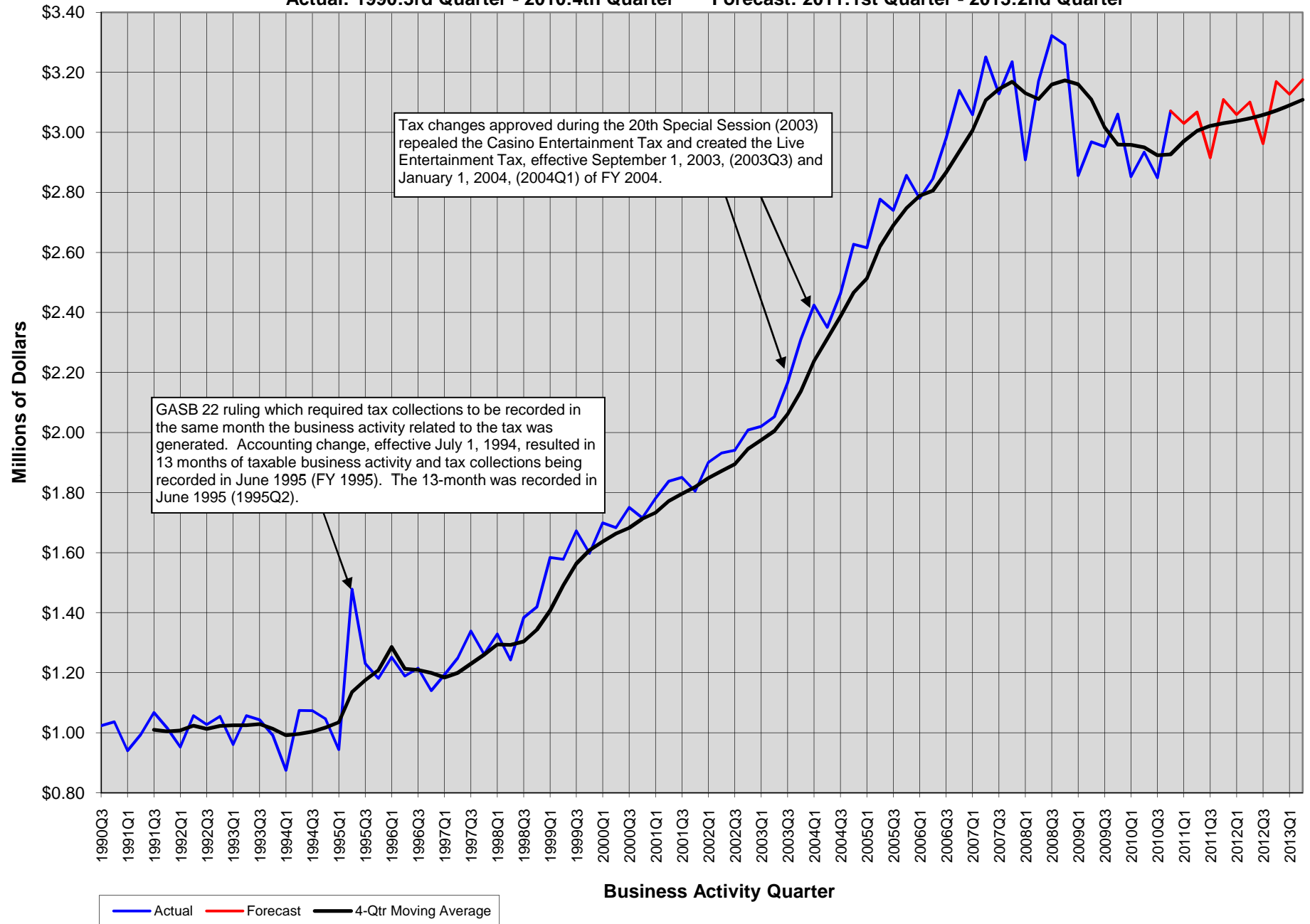


CHART 2B - LET
Growth in Statewide Live Entertainment Tax (LET) Collections - Gaming per Las Vegas Visitor: Quarterly
Actual: 1991:3rd Quarter - 2010:4th Quarter Forecast: 2011:1st Quarter - 2013:2nd Quarter

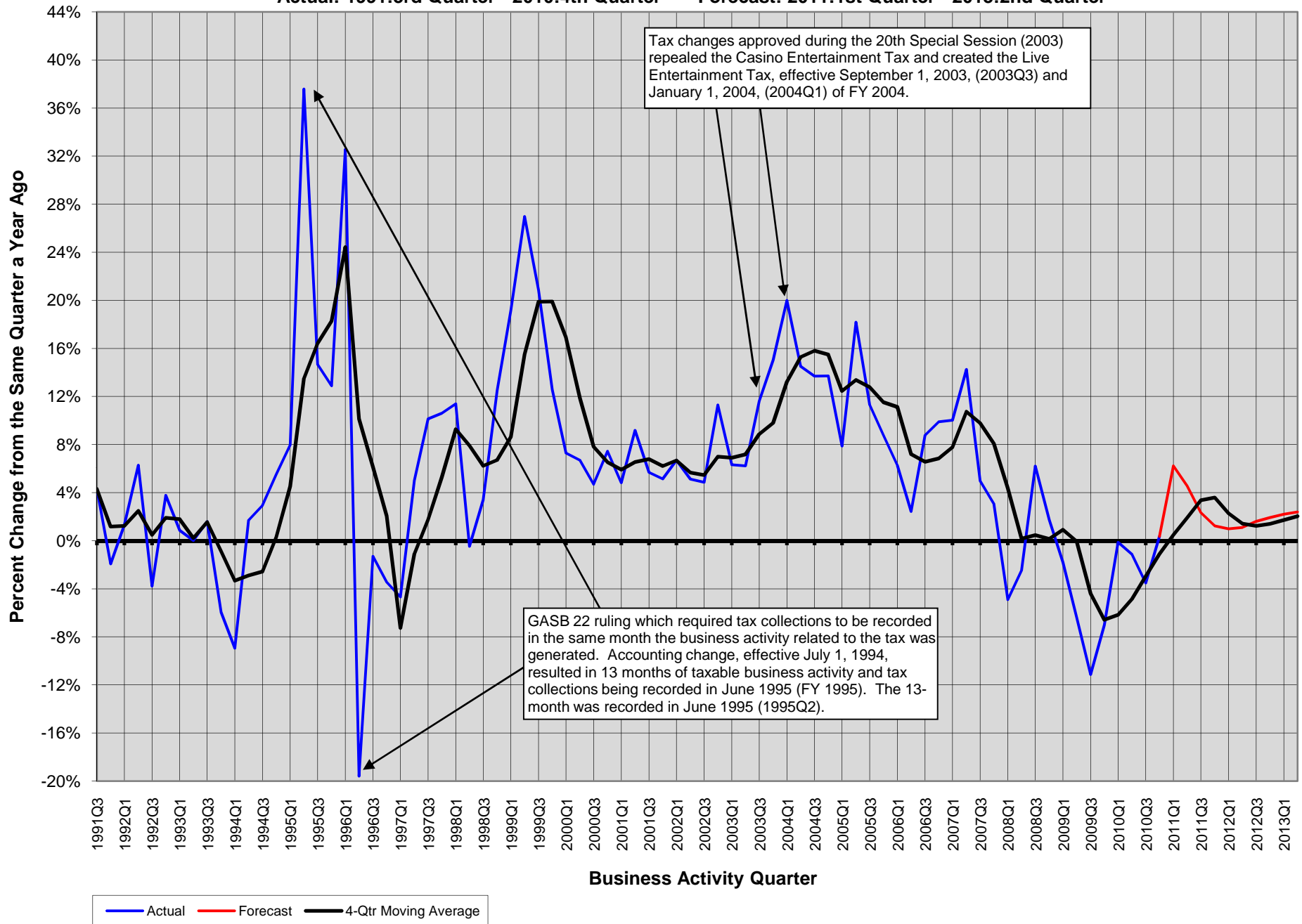


CHART 3A - LET
Actual and Forecast Statewide Live Entertainment Tax (LET) Collections - Gaming: Fiscal Year
Actual: FY 1991 - FY 2010 Forecast: FY 2011 - FY 2013

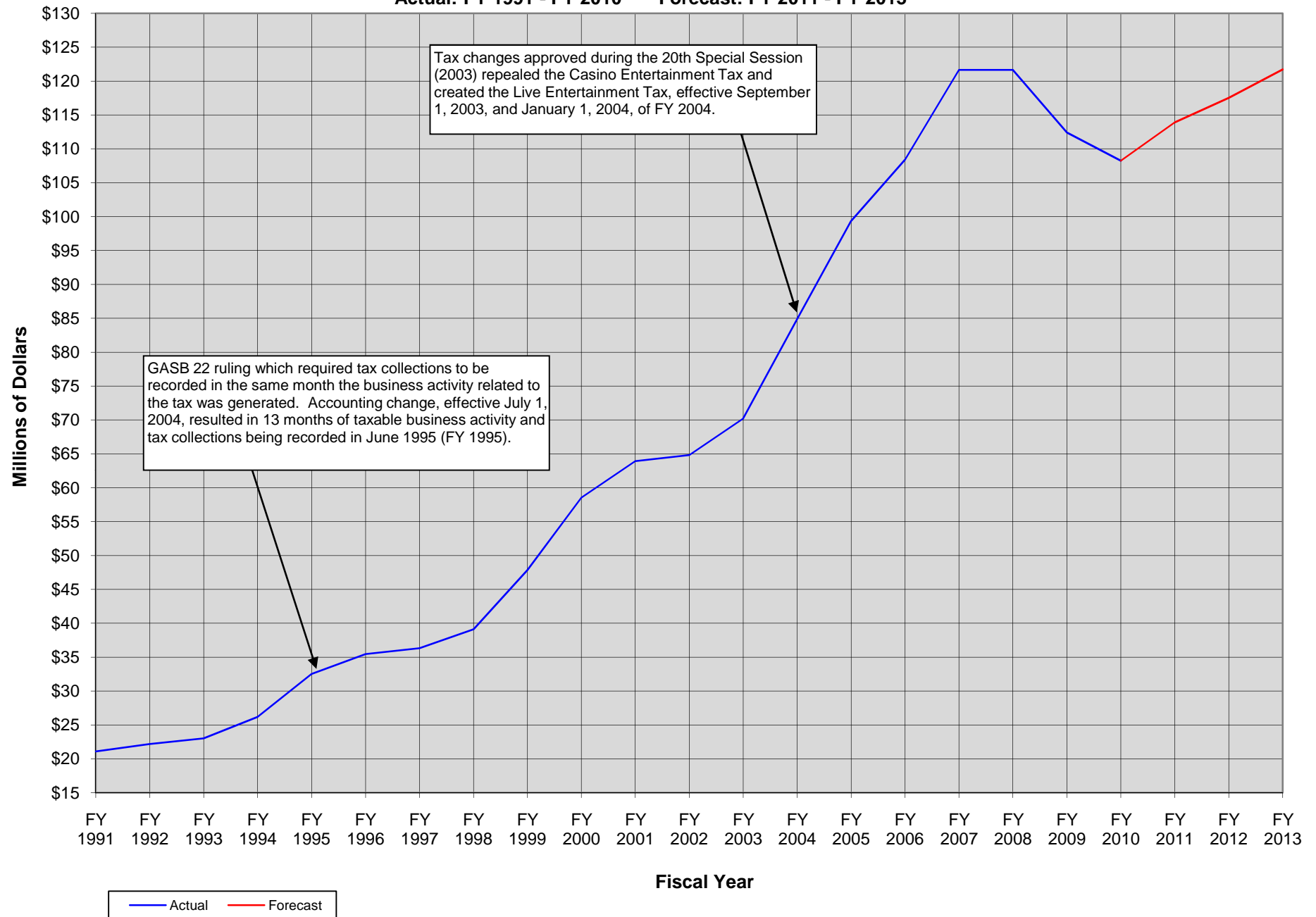


CHART 3B - LET
Actual and Forecast Growth in Statewide Live Entertainment Tax (LET) Collections - Gaming: Fiscal Year
Actual: FY 1991 - FY 2010 Forecast: FY 2011 - FY 2013

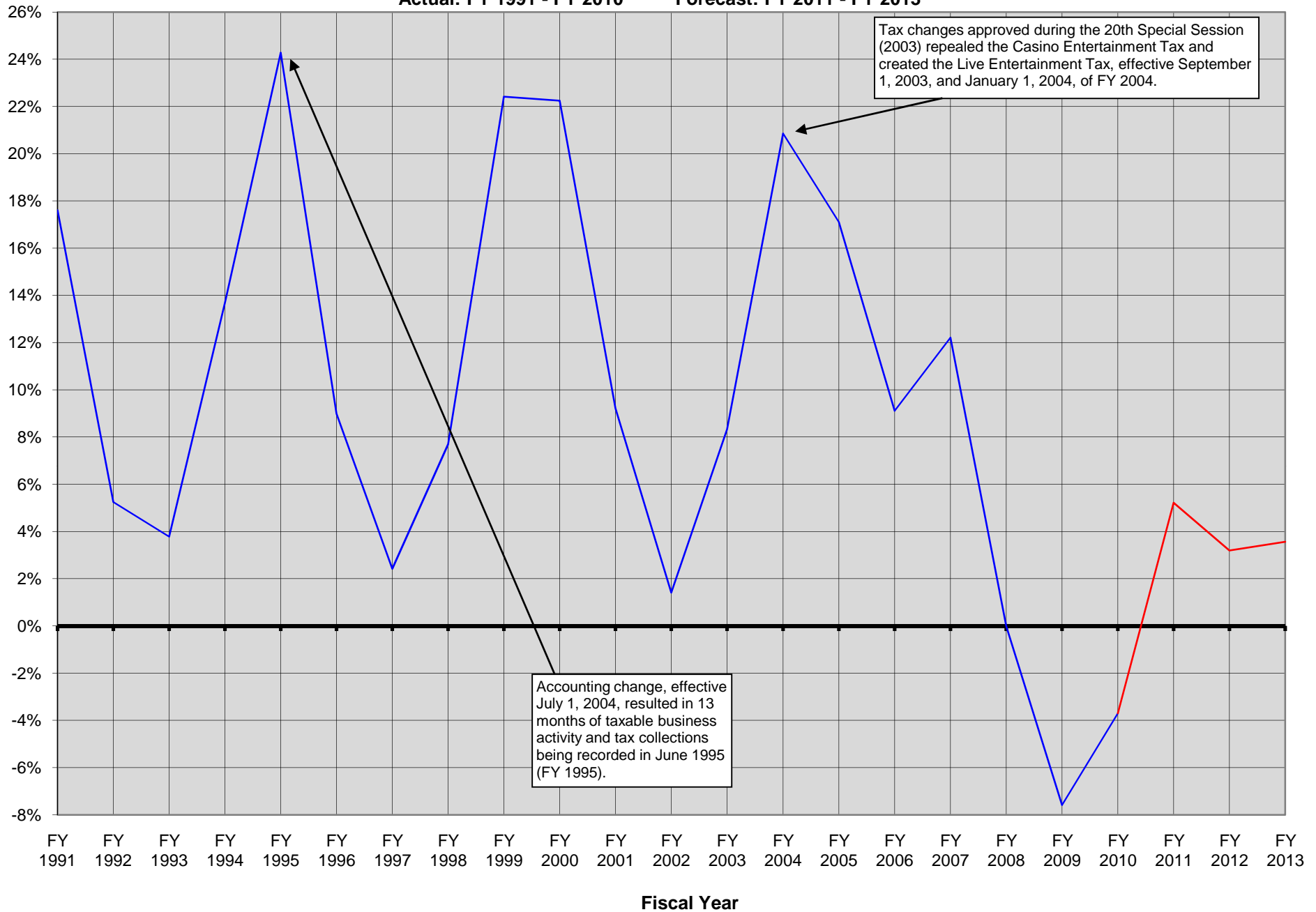


CHART 4A - LET
Actual and Forecast Statewide Live Entertainment Tax (LET) Collections - Gaming per Las Vegas Visitor: Fiscal Year
Actual: FY 1991 - FY 2010 Forecast: FY 2011 - FY 2013

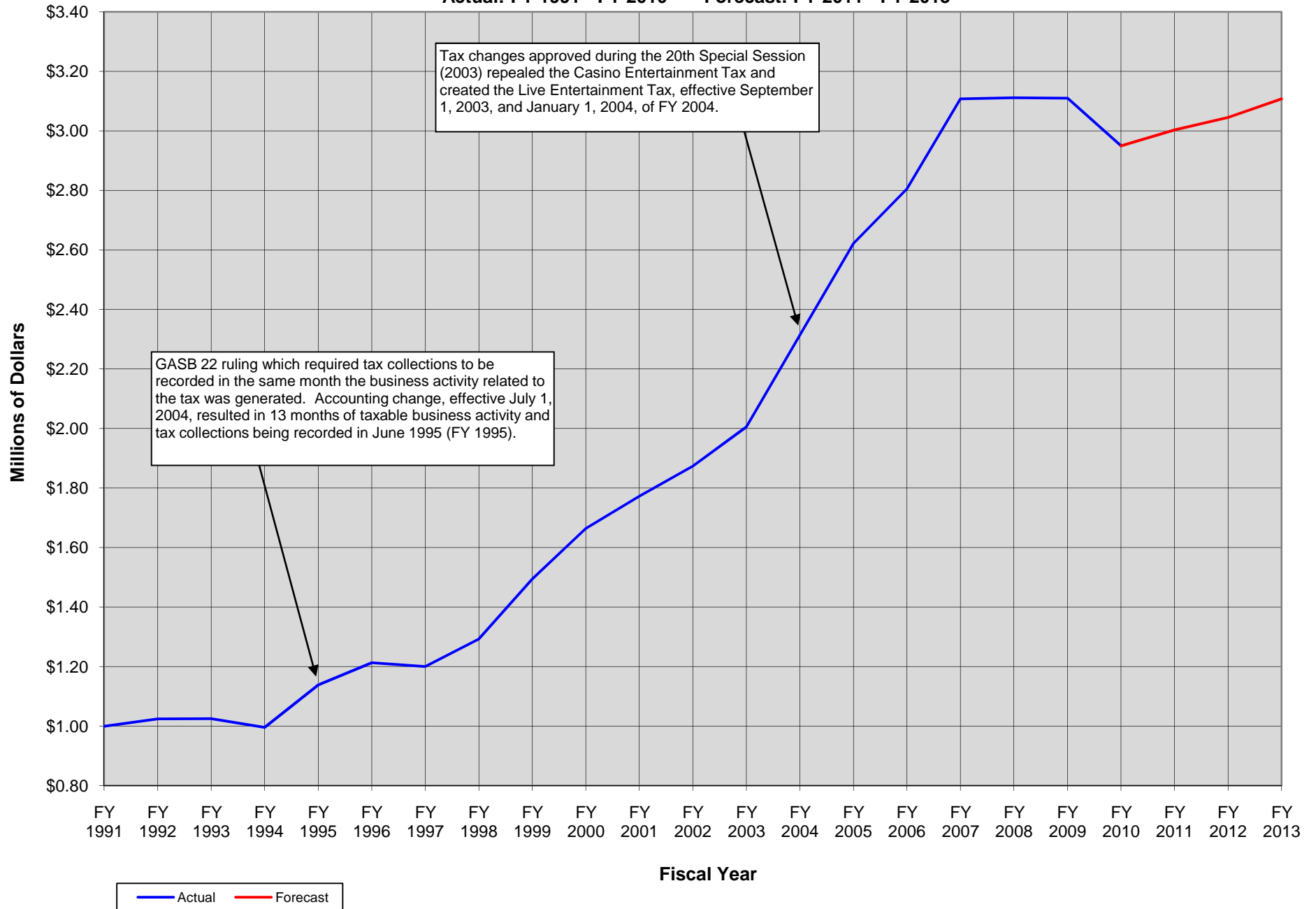
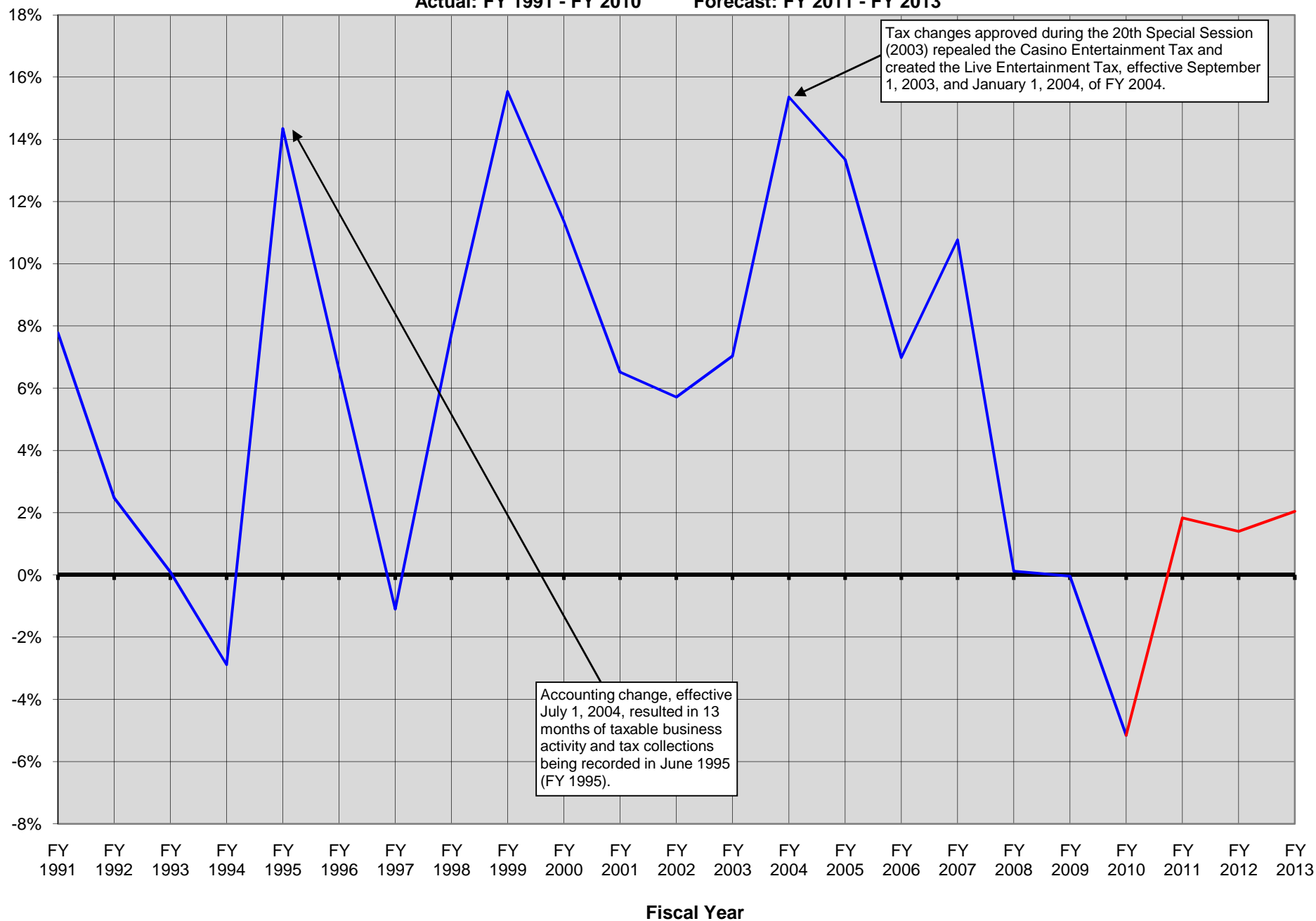


CHART 4B - LET
Actual and Forecast Growth in Statewide Live Entertainment Tax (LET) Collections-Gaming per Las Vegas Visitor
Actual: FY 1991 - FY 2010 Forecast: FY 2011 - FY 2013



STATE SALES TAX COLLECTIONS FORECAST

prepared for: **Nevada Economic Forum**
by: **LCB-Fiscal Analysis Division**
date: **May 2, 2011**



The FY 2011, FY 2012, and FY 2013 Forecast

The Fiscal Analysis Division forecasts state sales tax revenue will increase by 4.6% to \$790.4 million in FY 2011, increase 2.4% to \$809.4 million in FY 2012, and increase 4.3% to \$844.1 million in FY 2013.

Tax Overview

- The state sales tax rate dedicated to the State General Fund is 2.0% on the sale and use of tangible personal property in the state.
- The combined state sales tax rate is 6.85%:
 - State General Fund Tax Rate: 2.0%
 - Local School Support Tax Rate (LSST): 2.60% (increased by 0.35% from 2.25% effective from July 1, 2009 through June 30, 2011 (S.B. 429 – 2009 Regular Session))
 - Basic City/County Relief Tax Rate (BCCRT): 0.5%
 - Supplemental City/County Relief Tax Rate (SCCRT): 1.75%
- Local option rates authorized by statute or special acts are imposed in all counties except Eureka, Humboldt, Elko, Mineral, and Esmeralda. The combined optional rates range from 0.25% to 1.25% depending on the county.
- The taxpayer is allowed to retain a collection allowance of 0.25% of the sales tax due as an allowance for collecting and remitting the tax to the Department of Taxation. The taxpayer collection allowance was lowered to 0.25% from 0.5% in S.B. 2 (25th Special Session) from January 1, 2009, to June 30, 2009. Assembly Bill 552 of the 2009 Regular Session maintained the 0.25% collection allowance effective July 1, 2009.
- The commission retained by the Department of Taxation for collecting and distributing the sales tax collections for the BCCRT, SCCRT, and local option rates was raised from 0.75% to 1.75%, effective July 1, 2009 (A.B. 552 – 2009 Regular Session). The proceeds from this commission are deposited in the State General Fund. The commission retained by the Department of Taxation does apply to the LSST, but the commission rate was not increased and the 0.75% rate is retained for the LSST.

Nevada 2008 Tax Amnesty Program Impacts on FY 2008 and FY 2009

The Nevada 2008 Tax Amnesty Program was effective from July 1, 2008, to October 28, 2008, and allowed entities to pay delinquent liabilities for the sales and use tax, modified business tax and business license fee without penalty and interest that would have been due. The amnesty program produced additional one-time sales and use tax revenue of \$3,763,017 that was recorded in June 2008 of FY 2008 and \$26,974,421 that was recorded in July, August, and September of FY 2009, based on information reported by the Department of Taxation. The state 2% sales and use tax portion is estimated to be approximately \$971,101 in FY 2008 and \$6,961,141 in FY 2009 (\$916,043 in July 2008, \$5,260,183 in August 2008, and \$784,915 in September 2008).

Nevada 2010 Tax Amnesty Program Impacts on FY 2010 and FY 2011

The Nevada 2010 Tax Amnesty Program was effective from July 1, 2010, to September 30, 2010, and allowed entities to pay delinquent liabilities for the sales and use tax, modified business tax, and all other taxes collected by the Department of Taxation without penalty and interest that would have been due. The amnesty program produced additional one-time sales and use tax revenue of \$5,651,307 that was recorded in May and June of FY 2010 and \$15,082,595 that was recorded in July through September of FY 2011, based on information reported by the Department of Taxation. The state 2% sales and use tax portion is estimated to be approximately \$1,395,385 in FY 2010 (\$656,763 in May 2010 and \$738,622 in June 2010) and \$3,724,097 in FY 2011 (\$815,411 in July 2010, \$2,909,723 in August 2010, and \$1,036 in September 2010).

FY 2010 Taxable Sales and Sales Tax Collections Overview

In FY 2010 (July 2009 – June 2010), statewide taxable sales decreased by 10.3% compared to FY 2009 and the state 2% sales tax collection generated from the taxable sales decreased by the same 10.3% rate.

A one-time amount of \$317,418 was posted to FY 2010 due to an accounting adjustment for the refund of taxes that had been previously distributed to a local government.

After adjusting FY 2009 for the one-time amnesty payments totaling \$6,961,141 and FY 2010 for the one-time amnesty and refund payments totaling \$1,712,803, total state 2% sales tax collections would have decreased by only 9.8% in FY 2010 compared to FY 2009 versus the 10.3% decrease based on actual reported tax collections for FY 2010 and FY 2009.

As a reference point, FY 2009 state 2% sales tax collections would have decreased by 13.4% after adjusting for the amnesty impact versus the 12.8% decline based on actual reported collections including the amnesty payments.

In terms of May 2010 and June 2010 adjusted for the amnesty impact:

May 2010 taxable sales would have decreased by 2.9% percent without amnesty compared to the reported 1.9% decrease with amnesty. State 2% sales tax collections in May 2010 would have decreased 3.2% without the amnesty compared to the reported 2.2% decrease with amnesty.

June 2010 taxable sales would have decreased by 1.4% percent without amnesty compared to the reported 0.3% decrease with amnesty. State 2% sales tax collections in June 2010 would have decreased 0.8% without the amnesty compared to the reported 0.3% increase with amnesty.

FY 2011 Year-to-Date Taxable Sales and Sales Tax Collections Overview

Fiscal year-to-date through the first eight months of FY 2011, taxable sales are up 5.0% compared to the first eight months of FY 2010.

July 2010: 5.3%; August 2010: 4.8%; September 2010: 2.1%; October 2010: 2.2%; November 2010: 2.7%; December 2010: 11.2%; January 2011: 6.6%; and February 2011: 4.3%

The state 2% sales tax collections are up 4.4% fiscal year-to-date through the first eight months of FY 2011 compared to the first eight months of FY 2010

July 2010: 3.7%; August 2010: 5.0%; September 2010: 2.3%; October 2010: 0.7%; November 2010: 3.3%; December 2010: 8.4%; January 2011: 6.7%; and February 2011: 4.4%

After adjusting taxable sales for the impact of the amnesty payments in July through September, taxable sales were up only 2.1% in the first quarter of FY 2011 compared to the reported 4.1%. Fiscal year-to-date through the first eight months of FY 2011, taxable sales are up 4.3% after adjusting for impact of the amnesty program compared to the reported 5.0%.

State 2% sales tax collections were up only 1.6% in the first quarter of FY 2011 after adjusting for the amnesty payments compared to the reported 3.6%. Fiscal year-to-date through the first eight months of FY 2011, sales tax collections are up 3.6% after adjusting for amnesty compared to the reported 4.4%.

Estimated Impact of Ruby Pipeline Project in multiple northern Nevada counties

The Ruby Pipeline Project is a construction venture to install a 42-inch natural gas transmission pipeline from the Opal Hub in Wyoming terminating at interconnects near Malin, Oregon. The project runs the entire length of northern Nevada through Elko, Humboldt, and Washoe counties with two compressor stations included in Nevada (one north of Elko and one in northern Washoe County). Although work has been stopped on the project until May 15 in known sage grouse mating areas in Elko County, most of the work on the Elko County portion of the project is complete, based on press reports. The project is expected to be in service in July 2011 based on information available on the project's website.

Based on amounts that could be specifically and clearly identified and attributable to the project, the Department of Taxation estimated that approximately \$6.8 million in State 2% sales tax collections were from the taxable sales related to the project in the second quarter of FY 2011 (October-December 2010) with approximately \$6.5 million belonging to December 2010. The amount of sales tax collections attributable to the project may be larger than that reported by the Department, but it would require a detailed audit and contact with taxpayers to accurately identify activity associated with this project, which is not feasible for the Department.

The following is intended to provide some indication of the impact of the project on monthly, quarterly, and year-to-date sales tax collection numbers. Without the \$6.5 million from the project in December 2010, collections would have decreased by 0.7% versus the reported 8.4% increase. Sales tax collections for the second quarter of FY 2011 (October-December) would have increased by only 0.9% compared to the reported 4.4% increase. Finally, tax collections year-to-date through the first eight months would have only increased by 3.0% compared to the reported 4.4%.

FY 2011 Taxable Sales and Sales Tax Collections Forecast

Taxable sales are forecast to increase 4.9% in FY 2011 to approximately \$39.6 billion with the amnesty payments included and increase by 4.6% to \$39.4 billion without the amnesty payments. Taxable sales need to increase by an average of 4.6% over the remaining four months of FY 2011 compared to an average decrease of 2.0% over the last four months of FY 2010 to achieve the forecast growth on 4.9% with the amnesty payments included.

State 2% sales tax collections are projected to increase by 4.6% in FY 2011 to approximately \$790.4 million with the amnesty payments and increase by 4.3% to \$786.7 million without the amnesty payments. To achieve the FY 2011 forecast, sales tax collections are estimated to increase an average of 5.1% over the last four months of FY 2011 compared to an average decrease of 2.5% over the last four months of FY 2010.

FY 2012 Taxable Sales and Sales Tax Collections Forecast

Taxable sales are forecast to increase 2.2% in FY 2012 to approximately \$40.5 billion with the sales tax collections from these taxable sales increasing by 2.4% to \$809.0 million in FY 2012. These forecasts and the projected growth rate for taxable sales and tax collections for FY 2012 are compared to the FY 2011 forecast with the amnesty payments included.

Comparing the forecasts for FY 2012 to the forecast for FY 2011 without the amnesty payments included results in a projected growth for taxable sales of 2.7% (compared to 2.2% with amnesty) and for sales tax collections of 2.8% (compared to 2.4% with amnesty).

FY 2013 Taxable Sales and Sales Tax Collections Forecast

Taxable sales are forecast to increase 4.3% in FY 2013 to approximately \$42.2 billion with the sales tax collections from these taxable sales increasing by the same 4.3% to \$844.1 million in FY 2013.

TABLE 1A
TAXABLE SALES AND STATE 2% COLLECTIONS FORECAST FOR FY 2011, FY 2012, and FY 2013

	Total Statewide Taxable Sales (Million \$'s)	% Change	2% State Sales Tax Collections (Million \$'s)	% Change	Total Employment (1,000's)	% Change	Average Collections per Employee	% Change
FY 1996	\$22,325.8		\$447.4		813.1		\$550.24	
FY 1997	\$24,525.8	9.9%	\$492.3	10.0%	869.9	7.0%	\$565.97	2.9%
FY 1998	\$25,528.9	4.1%	\$512.5	4.1%	906.0	4.2%	\$565.67	-0.1%
FY 1999	\$28,168.3	10.3%	\$566.1	10.5%	955.0	5.4%	\$592.77	4.8%
FY 2000	\$29,988.4	6.5%	\$598.5	5.7%	1,005.5	5.3%	\$595.22	0.4%
FY 2001	\$31,715.4	5.8%	\$633.6	5.9%	1,046.9	4.1%	\$605.18	1.7%
FY 2002	\$31,986.7	0.9%	\$642.7	1.4%	1,046.0	-0.1%	\$614.49	1.5%
FY 2003	\$33,897.7	6.0%	\$680.4	5.9%	1,067.9	2.1%	\$637.18	3.7%
FY 2004	\$38,505.8	13.6%	\$775.3	13.9%	1,116.8	4.6%	\$694.20	8.9%
FY 2005	\$44,233.6	14.9%	\$896.0	15.6%	1,188.4	6.4%	\$754.00	8.6%
FY 2006	\$48,637.6	10.0%	\$985.0	9.9%	1,257.2	5.8%	\$783.49	3.9%
FY 2007	\$49,427.7	1.6%	\$1,000.2	1.5%	1,290.2	2.6%	\$775.22	-1.1%
FY 2008	\$48,196.8	-2.5%	\$966.1	-3.4%	1,286.2	-0.3%	\$751.11	-3.1%
FY 2009	\$42,086.6	-12.7%	\$842.5	-12.8%	1,206.3	-6.2%	\$698.40	-7.0%
FY 2010	\$37,772.1	-10.3%	\$755.3	-10.3%	1,124.1	-6.8%	\$671.96	-3.8%
FY 2011	\$39,623.2	4.9%	\$790.4	4.6%	1,112.9	-1.0%	\$710.20	5.7%
FY 2012	\$40,497.1	2.2%	\$809.0	2.4%	1,115.0	0.2%	\$725.60	2.2%
FY 2013	\$42,249.6	4.3%	\$844.1	4.3%	1,130.0	1.3%	\$746.94	2.9%

TABLE 2B
TAXABLE SALES AND STATE 2% COLLECTIONS
ACTUAL FOR FY 2008 - FY 2010 AND FORECAST FOR FY 2011 - FY 2013

Quarter	WITH AMNESTY & RUBY PROJECT				WITHOUT AMNESTY & RUBY PROJECT			
	Total Statewide Taxable Sales (Million \$'s)	% Change	2% State Sales Tax Collections (Million \$'s)	% Change	Total Statewide Taxable Sales (Million \$'s)	% Change	2% State Sales Tax Collections (Million \$'s)	% Change
2007Q3	\$12,119.2	-3.3%	\$241.9	-3.7%	\$12,119.2	-3.3%	\$241.9	-3.7%
2007Q4	\$12,455.3	0.5%	\$248.8	-3.2%	\$12,455.3	0.5%	\$248.8	-3.2%
2008Q1	\$11,450.1	-4.7%	\$231.8	-4.0%	\$11,450.1	-4.7%	\$231.8	-4.0%
2008Q2	\$12,172.3	-2.6%	\$243.5	-2.8%	\$12,172.3	-2.6%	\$243.5	-2.8%
2008Q3	\$11,699.8	-3.5%	\$234.1	-3.2%	\$11,699.8	-3.5%	\$234.1	-3.2%
2008Q4	\$11,032.8	-11.4%	\$218.8	-12.1%	\$11,032.8	-11.4%	\$218.8	-12.1%
2009Q1	\$9,601.8	-16.1%	\$195.0	-15.9%	\$9,601.8	-16.1%	\$195.0	-15.9%
2009Q2	\$9,752.2	-19.9%	\$194.6	-20.1%	\$9,752.2	-19.9%	\$194.6	-20.1%
2009Q3	\$9,328.2	-20.3%	\$187.2	-20.0%	\$9,328.2	-20.3%	\$187.2	-20.0%
2009Q4	\$9,740.8	-11.7%	\$195.9	-10.5%	\$9,740.8	-11.7%	\$195.9	-10.5%
2010Q1	\$8,955.6	-6.7%	\$178.1	-8.7%	\$8,955.6	-6.7%	\$178.1	-8.7%
2010Q2	\$9,747.5	0.0%	\$194.2	-0.2%	\$9,677.5	-0.8%	\$192.8	-0.9%
2010Q3	\$9,708.9	4.1%	\$194.0	3.6%	\$9,522.2	2.1%	\$190.2	1.6%
2010Q4	\$10,298.1	5.7%	\$204.5	4.4%	\$9,959.2	2.2%	\$197.8	0.9%
2011Q1	\$9,488.2	5.9%	\$189.6	6.4%	\$9,488.2	5.9%	\$189.6	6.4%
2011Q2	\$10,128.0	3.9%	\$202.3	4.2%	\$10,128.0	4.7%	\$202.3	5.0%
2011Q3	\$10,001.2	3.0%	\$199.8	3.0%	\$10,001.2	5.0%	\$199.8	5.0%
2011Q4	\$10,407.2	1.1%	\$207.9	1.7%	\$10,407.2	4.5%	\$207.9	5.1%
2012Q1	\$9,676.0	2.0%	\$193.3	2.0%	\$9,676.0	2.0%	\$193.3	2.0%
2012Q2	\$10,412.8	2.8%	\$208.0	2.8%	\$10,412.8	2.8%	\$208.0	2.8%
2012Q3	\$10,413.4	4.1%	\$208.0	4.1%	\$10,413.4	4.1%	\$208.0	4.1%
2012Q4	\$10,886.7	4.6%	\$217.5	4.6%	\$10,886.7	4.6%	\$217.5	4.6%
2013Q1	\$10,075.8	4.1%	\$201.3	4.1%	\$10,075.8	4.1%	\$201.3	4.1%
2013Q2	\$10,873.7	4.4%	\$217.2	4.4%	\$10,873.7	4.4%	\$217.2	4.4%

2008 Amnesty

2010 Amnesty

Ruby Project

TABLE 2: FISCAL DIVISION FORECAST**ACTUAL AND FORECAST DATA FOR ECONOMIC VARIABLES CONSIDERED IN TAXABLE SALES FORECAST****ACTUAL: 2003:3rd Quarter to 2010:4th Quarter FORECAST: 2011:1st Quarter to 2013:2nd Quarter**

SOURCE: Moody's Analytics April 2011 forecast for the Consumer Price Index. Fiscal Analysis Division April 2011 forecast for Non-farm Employment, Construction Employment, Personal Income, Las Vegas Visitor Volume, Existing Home Sales, and New Car & Light Truck Registrations

Quarter	Fiscal Division		Fiscal Division		Fiscal Division		Fiscal Division	
	Statewide Non-farm Employment (1,000's)	Percent Change	Statewide Construction Employment (1,000's)	Percent Change	Statewide Personal Income (Millions \$'s - SAAR)	Percent Change	Las Vegas Visitor Volume	Percent Change
2003Q3	1,092.0	3.5%	100.8	8.3%	73,815	8.7%	9,177,614	2.9%
2003Q4	1,109.5	4.2%	105.3	11.9%	76,061	10.2%	8,733,690	3.2%
2004Q1	1,122.0	4.5%	109.3	12.9%	78,482	11.2%	9,261,459	6.4%
2004Q2	1,143.5	6.1%	115.3	17.3%	80,837	12.5%	9,508,688	6.5%
2004Q3	1,161.2	6.3%	121.0	20.0%	83,115	12.6%	9,500,842	3.5%
2004Q4	1,183.0	6.6%	127.3	20.9%	86,211	13.3%	9,117,792	4.4%
2005Q1	1,192.6	6.3%	128.6	17.7%	89,258	13.7%	9,394,652	1.4%
2005Q2	1,216.6	6.4%	132.2	14.7%	92,140	14.0%	9,883,477	3.9%
2005Q3	1,233.4	6.2%	137.0	13.3%	92,558	11.4%	9,813,911	3.3%
2005Q4	1,248.2	5.5%	140.8	10.6%	93,391	8.3%	9,474,302	3.9%
2006Q1	1,267.0	6.2%	144.2	12.1%	95,803	7.3%	9,561,367	1.8%
2006Q2	1,280.4	5.2%	146.0	10.4%	97,640	6.0%	9,800,118	-0.8%
2006Q3	1,285.0	4.2%	143.1	4.5%	98,023	5.9%	9,989,766	1.8%
2006Q4	1,286.3	3.0%	138.5	-1.7%	99,912	7.0%	9,554,553	0.8%
2007Q1	1,294.0	2.1%	137.0	-4.9%	101,520	6.0%	9,629,007	0.7%
2007Q2	1,295.7	1.2%	136.1	-6.8%	102,756	5.2%	9,978,554	1.8%
2007Q3	1,288.8	0.3%	132.6	-7.4%	104,020	6.1%	10,000,315	0.1%
2007Q4	1,291.1	0.4%	128.7	-7.1%	106,545	6.6%	9,589,885	0.4%
2008Q1	1,286.3	-0.6%	123.7	-9.7%	105,862	4.3%	9,670,074	0.4%
2008Q2	1,278.8	-1.3%	120.1	-11.8%	105,448	2.6%	9,840,714	-1.4%
2008Q3	1,262.0	-2.1%	115.7	-12.8%	104,857	0.8%	9,370,164	-6.3%
2008Q4	1,228.0	-4.9%	106.1	-17.6%	102,754	-3.6%	8,600,600	-10.3%
2009Q1	1,185.0	-7.9%	96.2	-22.2%	100,112	-5.4%	8,826,805	-8.7%
2009Q2	1,150.3	-10.1%	83.1	-30.8%	100,328	-4.9%	9,350,884	-5.0%
2009Q3	1,131.8	-10.3%	74.9	-35.3%	99,050	-5.5%	9,335,882	-0.4%
2009Q4	1,125.2	-8.4%	70.2	-33.9%	98,774	-3.9%	8,837,898	2.8%
2010Q1	1,119.2	-5.6%	63.1	-34.4%	98,763	-1.3%	8,958,869	1.5%
2010Q2	1,120.1	-2.6%	60.2	-27.5%	99,912	-0.4%	9,569,337	2.3%
2010Q3	1,113.5	-1.6%	56.6	-24.4%	100,128	1.1%	9,655,869	3.4%
2010Q4	1,110.9	-1.3%	57.2	-18.5%	100,849	2.1%	9,151,361	3.5%
2011Q1	1,114.6	-0.4%	57.0	-9.6%	101,228	2.5%	9,396,815	4.9%
2011Q2	1,112.6	-0.7%	56.7	-5.8%	101,372	1.5%	9,716,714	1.5%
2011Q3	1,111.3	-0.2%	56.4	-0.3%	101,592	1.5%	9,840,483	1.9%
2011Q4	1,113.5	0.2%	56.2	-1.7%	102,049	1.2%	9,412,364	2.9%
2012Q1	1,116.1	0.1%	56.1	-1.6%	102,540	1.3%	9,493,248	1.0%
2012Q2	1,119.1	0.6%	56.1	-1.0%	103,072	1.7%	9,844,853	1.3%
2012Q3	1,122.4	1.0%	56.3	-0.3%	103,683	2.1%	9,962,439	1.2%
2012Q4	1,127.0	1.2%	56.6	0.6%	104,397	2.3%	9,591,338	1.9%
2013Q1	1,132.4	1.5%	57.0	1.6%	105,199	2.6%	9,633,477	1.5%
2013Q2	1,138.3	1.7%	57.5	2.5%	106,067	2.9%	9,977,528	1.3%
FY 1997	869.9	7.0%	83.8	16.1%	183,582	11.0%	30,266,442	3.6%
FY 1998	906.0	4.2%	86.0	2.6%	200,978	9.5%	30,250,609	-0.1%
FY 1999	955.0	5.4%	92.5	7.7%	221,630	10.3%	32,049,240	5.9%
FY 2000	1,005.5	5.3%	89.2	-3.6%	240,192	8.4%	35,176,393	9.8%
FY 2001	1,046.9	4.1%	90.2	1.1%	256,754	6.9%	36,068,291	2.5%
FY 2002	1,046.0	-0.1%	91.3	1.2%	265,345	3.3%	34,597,944	-4.1%
FY 2003	1,067.9	2.1%	95.6	4.7%	279,372	5.3%	35,013,938	1.2%
FY 2004	1,116.8	4.6%	107.7	12.7%	309,195	10.7%	36,681,451	4.8%
FY 2005	1,188.4	6.4%	127.3	18.2%	350,724	13.4%	37,896,763	3.3%
FY 2006	1,257.2	5.8%	142.0	11.6%	379,392	8.2%	38,649,698	2.0%
FY 2007	1,290.2	2.6%	138.7	-2.3%	402,211	6.0%	39,151,880	1.3%
FY 2008	1,286.2	-0.3%	126.3	-8.9%	421,875	4.9%	39,100,988	-0.1%
FY 2009	1,206.3	-6.2%	100.3	-20.6%	408,051	-3.3%	36,148,453	-7.6%
FY 2010	1,124.1	-6.8%	67.1	-33.1%	396,499	-2.8%	36,701,986	1.5%
FY 2011	1,112.9	-1.0%	56.9	-15.2%	403,577	1.8%	37,920,759	3.3%
FY 2012	1,115.0	0.2%	56.2	-1.2%	409,252	1.4%	38,590,948	1.8%
FY 2013	1,130.0	1.3%	56.8	1.1%	419,346	2.5%	39,164,782	1.5%

TABLE 2: FISCAL DIVISION FORECAST - CONTINUED
ACTUAL AND FORECAST DATA FOR ECONOMIC VARIABLES CONSIDERED IN TAXABLE SALES FORECAST
ACTUAL: 2003:3rd Quarter to 2010:4th Quarter FORECAST: 2011:1st Quarter to 2013:2nd Quarter

SOURCE: Moody's Analytics April 2011 forecast for the Consumer Price Index. Fiscal Analysis

Division April 2011 forecast for Non-farm Employment, Construction Employment, Personal Income, Las Vegas Visitor Volume, Existing Home Sales, and New Car & Light Truck Registrations

Quarter	Moody's Analytics		Fiscal Division		Fiscal Division	
	Consumer Price Index	Percent Change	Statewide Existing Home Sales (1,000's)	Percent Change	New Car & Light Truck Registrations	Percent Change
2003Q3	184.4	2.2%	75.4	28.8%	159,531	5.9%
2003Q4	185.1	2.0%	84.6	27.9%	165,268	13.3%
2004Q1	186.7	1.8%	93.9	44.6%	165,065	12.6%
2004Q2	188.2	2.8%	92.0	33.1%	168,214	9.9%
2004Q3	189.4	2.7%	92.5	22.8%	178,472	11.9%
2004Q4	191.4	3.4%	86.6	2.3%	185,325	12.1%
2005Q1	192.4	3.0%	85.3	-9.2%	182,815	10.8%
2005Q2	193.7	2.9%	90.0	-2.2%	168,386	0.1%
2005Q3	196.6	3.8%	92.0	-0.6%	198,187	11.0%
2005Q4	198.4	3.7%	88.6	2.4%	174,363	-5.9%
2006Q1	199.5	3.7%	76.6	-10.1%	190,347	4.1%
2006Q2	201.3	3.9%	69.3	-23.0%	205,523	22.1%
2006Q3	203.2	3.3%	57.1	-38.0%	191,419	-3.4%
2006Q4	202.3	2.0%	57.1	-35.6%	179,518	3.0%
2007Q1	204.3	2.4%	53.3	-30.5%	186,906	-1.8%
2007Q2	206.7	2.7%	43.8	-36.8%	170,599	-17.0%
2007Q3	207.9	2.3%	36.6	-35.9%	165,235	-13.7%
2007Q4	210.5	4.0%	33.3	-41.6%	185,338	3.2%
2008Q1	212.8	4.2%	41.0	-23.1%	157,388	-15.8%
2008Q2	215.6	4.3%	51.9	18.7%	137,584	-19.4%
2008Q3	218.9	5.3%	66.3	81.4%	114,633	-30.6%
2008Q4	213.8	1.6%	77.8	133.4%	74,850	-59.6%
2009Q1	212.5	-0.2%	83.4	103.7%	65,196	-58.6%
2009Q2	213.5	-1.0%	91.5	76.1%	73,251	-46.8%
2009Q3	215.4	-1.6%	96.7	45.8%	83,724	-27.0%
2009Q4	216.9	1.5%	110.3	41.7%	77,487	3.5%
2010Q1	217.5	2.4%	96.3	15.4%	81,749	25.4%
2010Q2	217.3	1.8%	84.6	-7.6%	88,128	20.3%
2010Q3	218.0	1.2%	79.5	-17.8%	75,169	-10.2%
2010Q4	219.5	1.2%	99.3	-9.9%	78,559	1.4%
2011Q1	221.3	1.7%	95.4	-1.0%	88,302	8.0%
2011Q2	222.2	2.3%	88.2	4.3%	91,909	4.3%
2011Q3	223.1	2.3%	81.0	1.9%	93,589	24.5%
2011Q4	224.0	2.1%	82.6	-16.9%	97,123	23.6%
2012Q1	225.1	1.8%	84.2	-11.7%	99,323	12.5%
2012Q2	226.3	1.9%	84.8	-3.8%	105,521	14.8%
2012Q3	227.9	2.1%	85.2	5.2%	110,035	17.6%
2012Q4	229.5	2.4%	85.6	3.7%	116,288	19.7%
2013Q1	231.2	2.7%	85.9	2.0%	123,611	24.5%
2013Q2	232.9	2.9%	86.1	1.5%	129,759	23.0%
FY 1997	158.900	2.8%	100.2	-6.7%	121,180	9.0%
FY 1998	161.750	1.8%	109.5	9.3%	118,770	-2.0%
FY 1999	164.550	1.7%	133.5	21.9%	128,250	8.0%
FY 2000	169.292	2.9%	152.0	13.9%	126,158	-1.6%
FY 2001	175.067	3.4%	191.4	25.9%	149,708	18.7%
FY 2002	178.167	1.8%	200.4	4.7%	139,224	-7.0%
FY 2003	182.092	2.2%	258.7	29.1%	149,010	7.0%
FY 2004	186.108	2.2%	345.9	33.7%	164,519	10.4%
FY 2005	191.700	3.0%	354.4	2.4%	178,749	8.6%
FY 2006	198.942	3.8%	326.5	-7.9%	192,105	7.5%
FY 2007	204.112	2.6%	211.2	-35.3%	182,111	-5.2%
FY 2008	211.682	3.7%	162.8	-22.9%	161,386	-11.4%
FY 2009	214.649	1.4%	319.1	96.0%	81,983	-49.2%
FY 2010	216.771	1.0%	387.9	21.6%	82,772	1.0%
FY 2011	220.237	1.6%	362.3	-6.6%	83,485	0.9%
FY 2012	224.659	2.0%	332.5	-8.2%	98,889	18.5%
FY 2013	230.376	2.5%	342.8	3.1%	119,923	21.3%

CHART 1
State 2% Sales/Use Tax Collections : Actual versus Forecast- Quarterly Basis
Actual: 1995:3rd Quarter - 2010:4th Quarter Forecast: 2011:1st Quarter - 2013:2nd Quarter

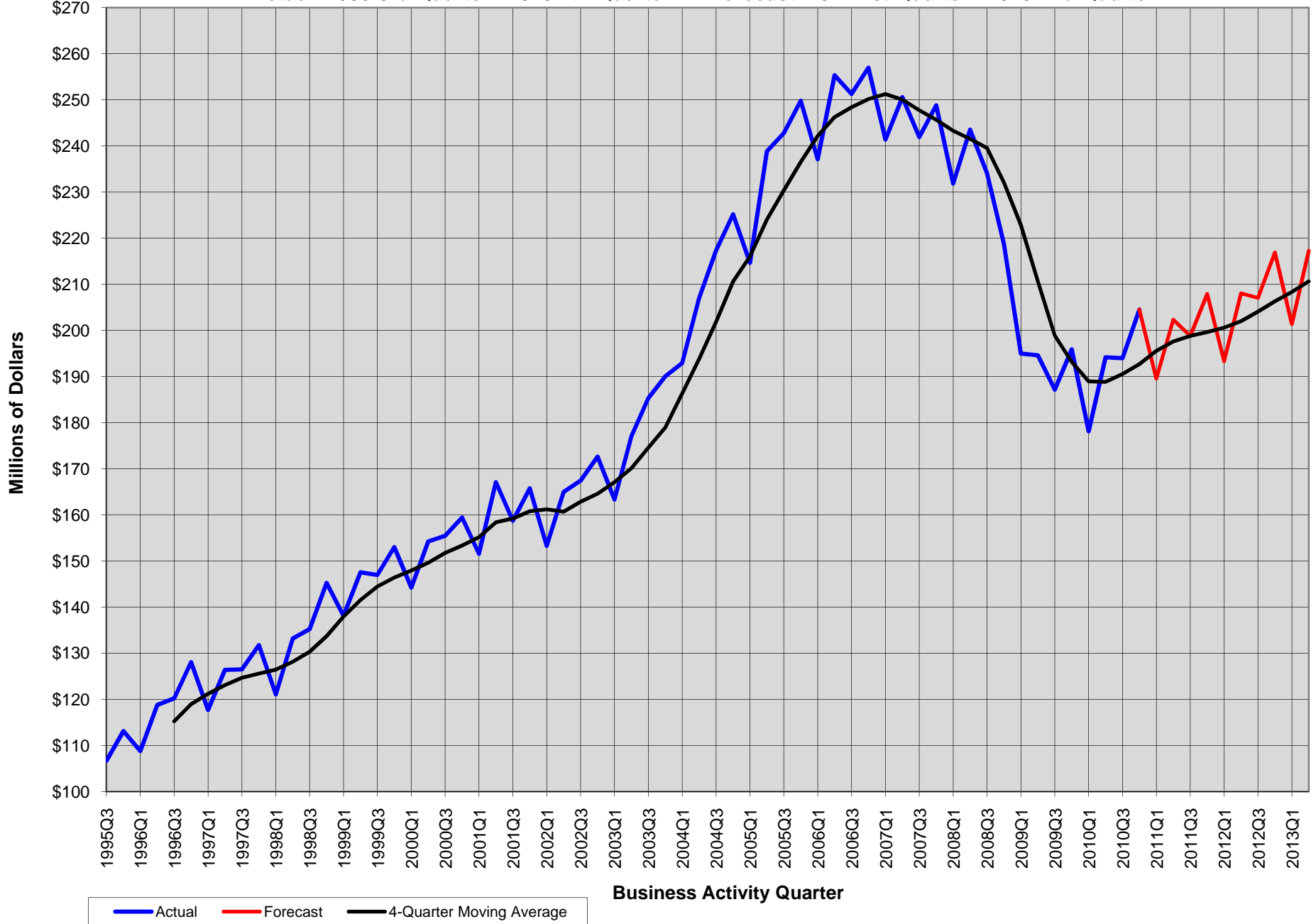


CHART 2
Statewide Taxable Sales: Actual versus Forecast- Quarterly Basis
Actual: 1995:3rd Quarter - 2010:4th Quarter Forecast: 2011:1st Quarter - 2013:2nd Quarter

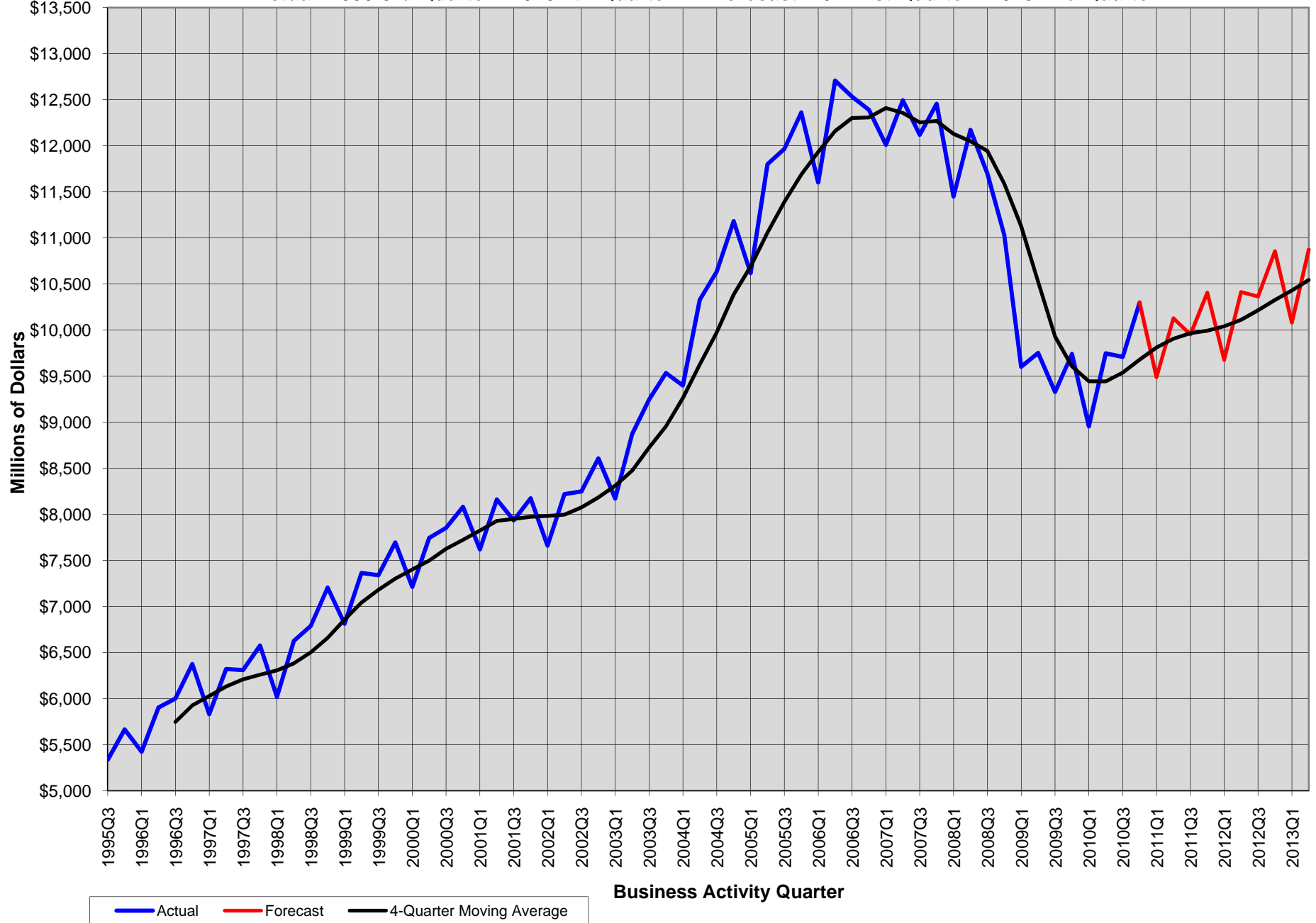


CHART 3
Growth in Statewide Taxable Sales and State 2% Sales/Use Tax Collections: Actual versus Forecast - Quarterly Basis
Actual: 1996:3rd Quarter - 2010:4th Quarter Forecast: 2011:1st Quarter - 2013:2nd Quarter

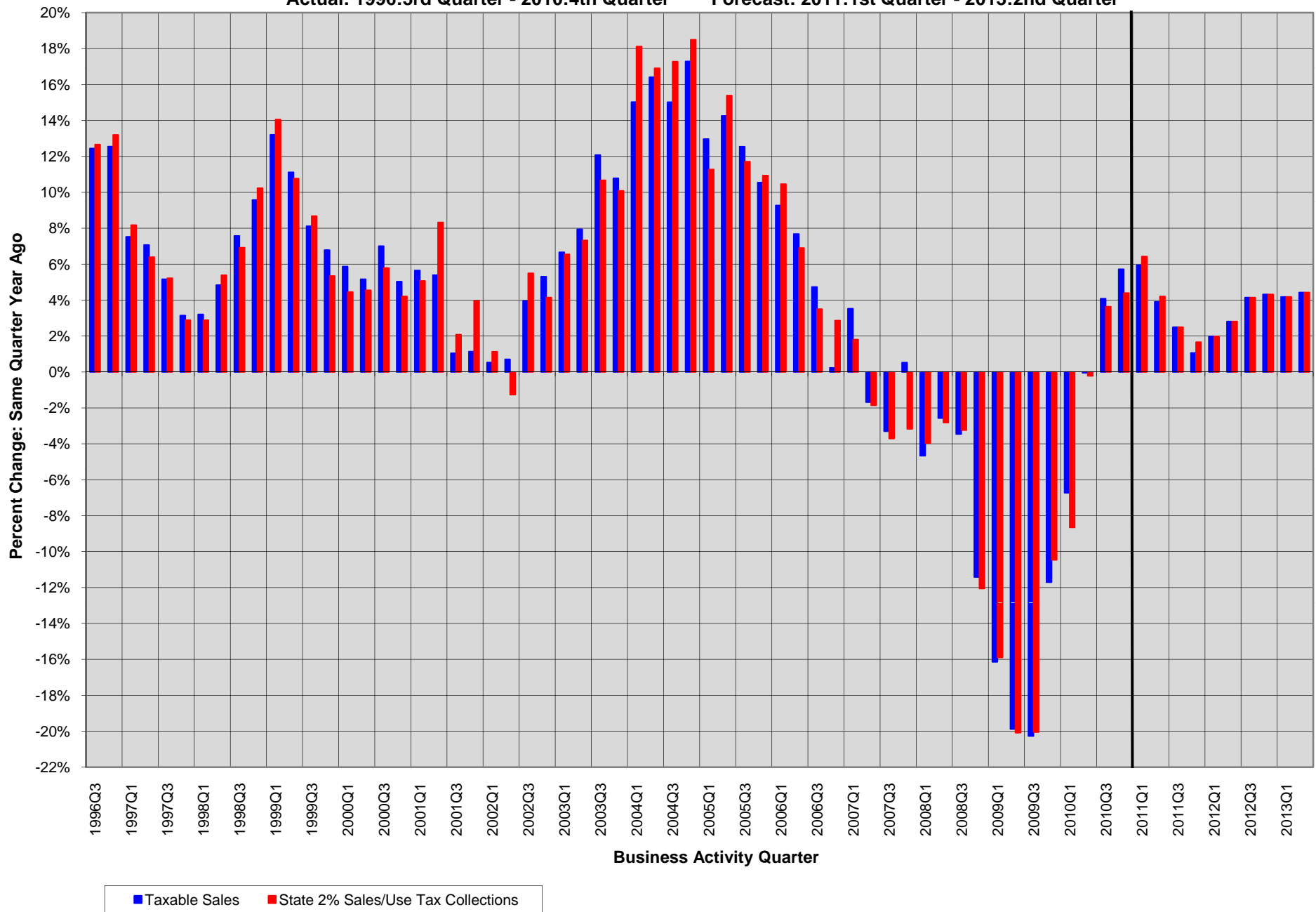


CHART 4
Statewide Taxable Sales per Non-farm Establishment Employee: Actual versus Forecast - Quarterly Basis
Actual: 1995:3rd Quarter - 2010:4th Quarter Forecast: 2011:1st Quarter - 2013:2nd Quarter

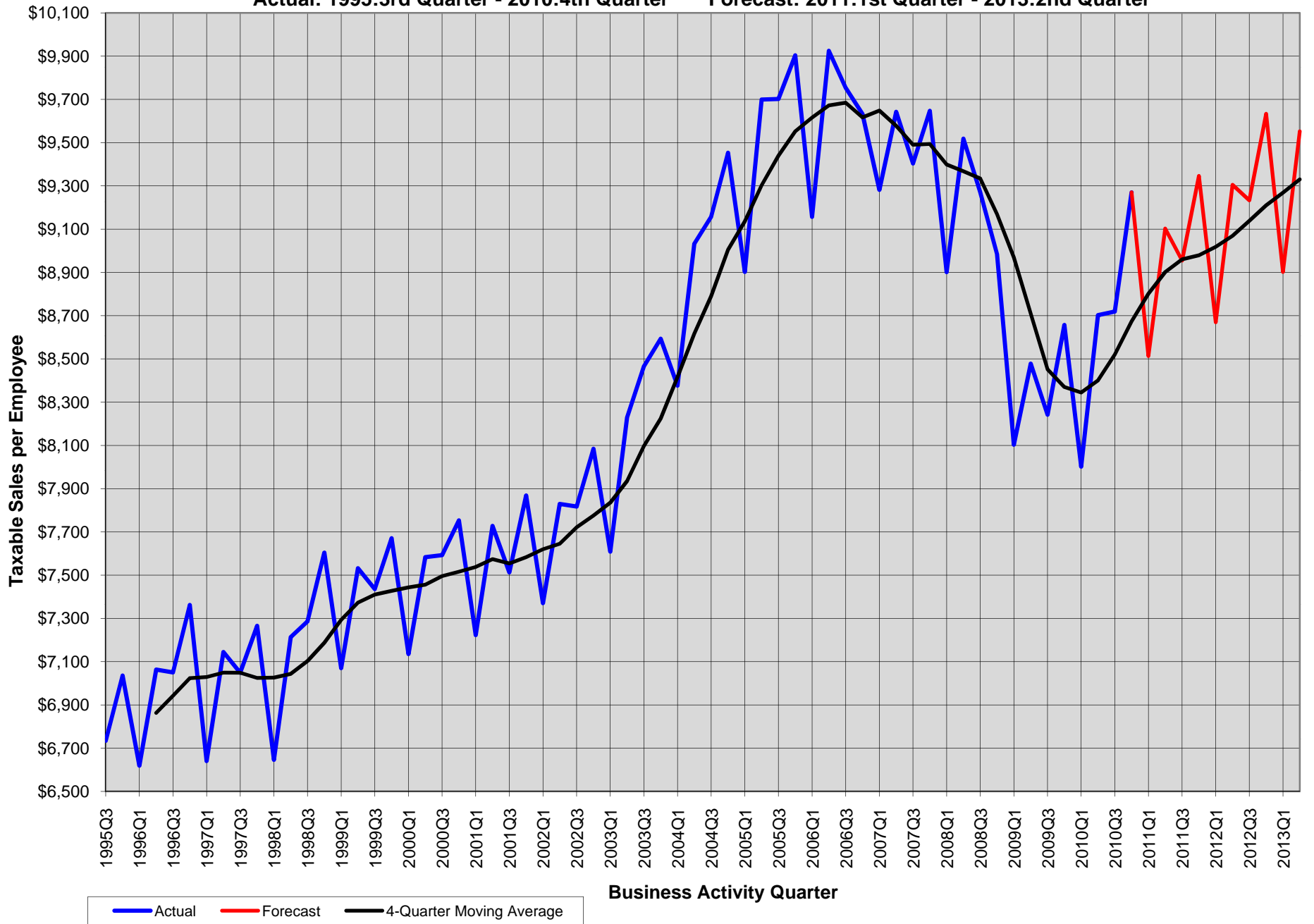


CHART 5
Statewide Taxable Sales per \$1,000 of Statewide Personal Income: Actual versus Forecast - Quarterly Basis
Actual: 1995:3rd Quarter - 2010:4th Quarter Forecast: 2011:1st Quarter - 2013:2nd Quarter

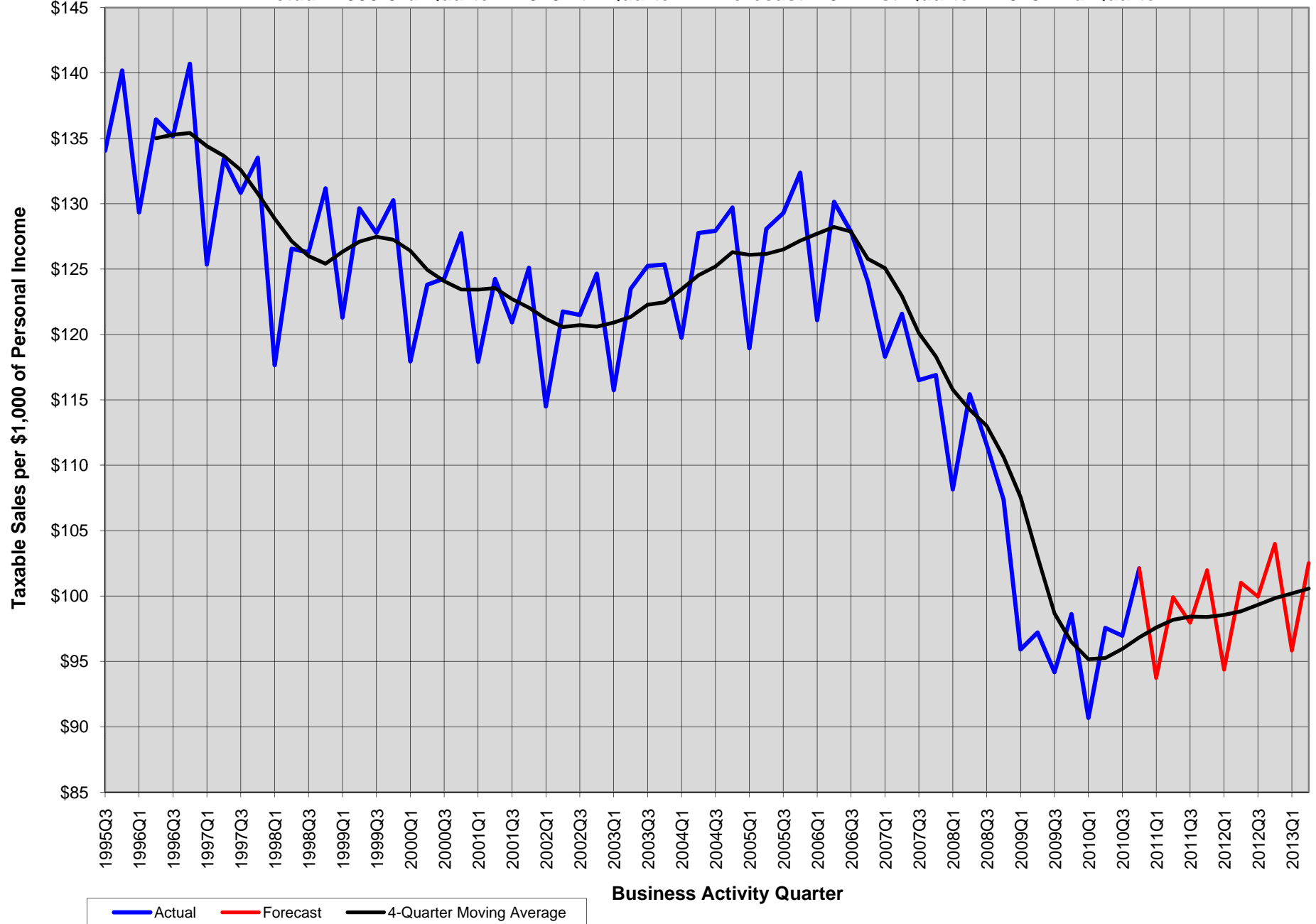
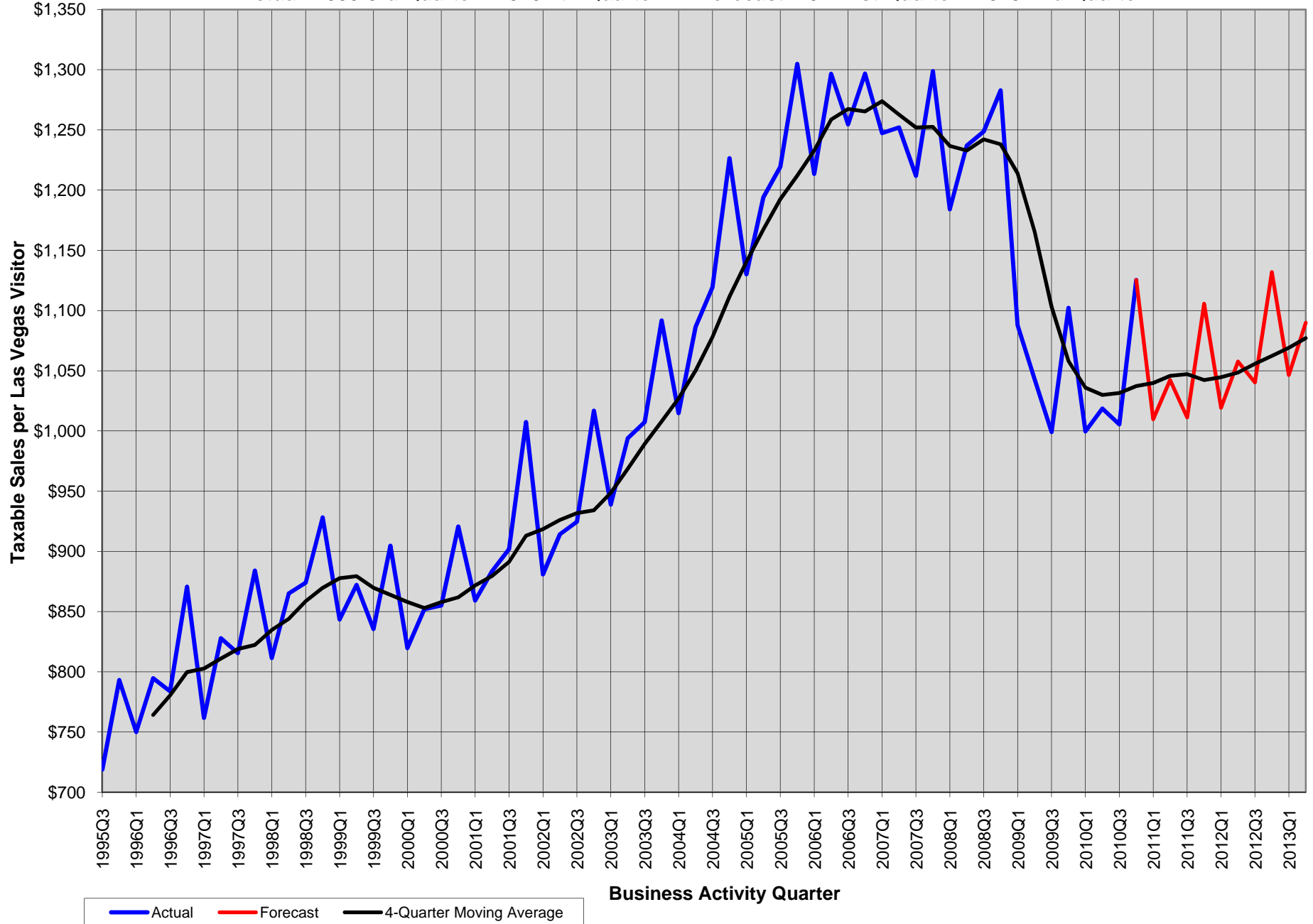


CHART 6
Statewide Taxable Sales per Las Vegas Visitor: Actual versus Forecast - Quarterly Basis
Actual: 1995:3rd Quarter - 2010:4th Quarter Forecast: 2011:1st Quarter - 2013:2nd Quarter



INSURANCE PREMIUM TAX COLLECTIONS FORECAST

prepared for: **Nevada Economic Forum**
by: **LCB-Fiscal Analysis Division**
date: **May 2, 2011**



The FY 2011, FY 2012 and FY 2013 Forecast

The Fiscal Analysis Division forecasts insurance premium tax collections to increase by 1.9% in FY 2011 to \$238.4 million, increase by 1.2% in FY 2012 to \$241.3 million, and increase by 2.9% in FY 2013 to \$248.2 million.

Tax Overview

- The Insurance Premium Tax is imposed in Nevada at a rate of 3.5 percent of all net premiums written in the state, except for those premiums written by certain risk retention groups, which are taxed at a rate of 2 percent of all net premiums.
- Insurers with a home or regional office in Nevada may take a credit of up to 50 percent of the tax liability plus an amount equal to the property taxes paid on that home or regional office. The amount of the credit, however, may not exceed 80 percent of the insurer's total insurance premium tax liability.
- If an insurer paid, or was required to pay, at least \$2,000 in insurance premium tax in the prior calendar year, he must file a quarterly report with the Department of Taxation and make a payment in an amount equal to the tax required to be paid on premiums written during the preceding calendar quarter. Each quarterly payment must be paid on or before the last day of the first month following the calendar quarter for which the payment is due.
- Additionally, insurers are required to file, on or before March 15 of each year, an annual report with the Department of Taxation showing total income derived from written premiums in the preceding calendar year. This report must be accompanied by a payment equal to the amount of insurance premium tax required to be paid on those written premiums, less any quarterly payments made for the same period.

FY 2011 Year-to-Date Overview and Forecast

- Quarterly insurance premium tax collections for the period ending December 30, 2010, were \$52,906,832, which represents an increase of approximately 1.6 percent compared to the same period in FY 2010.
 - For its December 2010 forecast, the Fiscal Analysis Division estimated that quarterly premium tax collections for this period would be \$52,880,000, or a 1.5 percent increase compared to the first quarter in FY 2010.
- For the first two quarters of Fiscal Year 2011, the portion of the insurance premium tax generated from quarterly premiums was approximately \$110.8 million, which represents a 2.3 percent increase compared to the first two quarters of FY 2010. The Fiscal Analysis Division's May 2011 forecast for the last two quarters of FY 2011 estimates that the portion of the insurance premium tax generated from quarterly premiums will generate approximately \$112.8 million, which represents an increase of 0.7 percent compared to the last two quarters of FY 2010.
 - In December 2010, the Fiscal Analysis Division estimated that quarterly premium tax collections for the last two quarters of FY 2011 would be \$112.0 million, which would result in flat collections compared to the last two quarters of FY 2010.
- The Fiscal Analysis Division's May 1, 2011, forecast of \$238.4 million for FY 2011 is approximately \$1.5 million higher than the forecast prepared for this revenue source at the December 1, 2010, meeting. The increase in the forecast takes into account additional revenue from first-quarter premium collections reported during the second quarter, as well as higher-than-expected collections of taxes from prior fiscal years. These increased collections are partially offset by an increase in the number of refunds issued by the Department of Taxation for the insurance premium tax.

INSURANCE PREMIUM TAX FORECAST - MAY 2011 ECONOMIC FORUM (FISCAL ANALYSIS DIVISION)

Category	FY 2002-03		FY 2003-04		FY 2004-05		FY 2005-06		FY 2006-07		FY 2007-08	
	Actual	% Change	Actual	% Change	Actual	% Change	Actual	% Change	Actual	% Change	Actual	% Change
Prior Fiscal Year Tax	\$371,968	-79.4%	\$241,362	-35.1%	\$1,096,198	354.2%	\$776,933	-29.1%	\$872,681	12.3%	\$347,382	-60.2%
Quarter Ended 9/30	\$39,774,032	9.7%	\$46,500,651	16.9%	\$50,356,655	8.3%	\$57,024,655	13.2%	\$58,421,216	2.4%	\$60,216,422	3.1%
Quarter Ended 12/31	\$39,035,466	7.9%	\$44,386,006	13.7%	\$47,051,110	6.0%	\$52,677,075	12.0%	\$58,272,882	10.6%	\$57,674,601	-1.0%
Quarter Ended 3/31	\$36,280,293	16.6%	\$38,089,306	5.0%	\$44,803,498	17.6%	\$52,436,525	17.0%	\$54,713,995	4.3%	\$54,728,550	0.0%
Quarter Ended 6/30	\$41,174,644	6.5%	\$48,180,668	17.0%	\$52,311,314	8.6%	\$55,243,464	5.6%	\$60,708,067	9.9%	\$60,425,016	-0.5%
Annual Renewal - 3/15	\$4,506,185	1.3%	\$2,044,227	-54.6%	\$3,374,248	65.1%	\$4,021,003	19.2%	\$3,616,784	-10.1%	\$3,925,841	8.5%
Returned Check Charges									\$25		\$0	-100.0%
Interest/Penalties	\$202,114	-27.1%	\$186,841	-7.6%	\$90,362	-51.6%	\$82,700	-8.5%	\$54,167	-34.5%	\$69,753	28.8%
Risk Retention Groups												
Surplus Lines	\$6,770,180	87.3%	\$9,740,075	43.9%	\$12,399,503	27.3%	\$12,077,962	-2.6%	\$16,452,546	36.2%	\$12,128,488	-26.3%
Workers Comp (Industrial)	\$7,043,890	17.9%	\$4,710,324	-33.1%	\$4,642,049	-1.4%	\$3,505,659	-24.5%	\$5,909,016	68.6%	\$6,681,354	13.1%
Independently Procured	<u>\$187,993</u>	39.4%	<u>\$733,017</u>	289.9%	<u>\$843,483</u>	15.1%	<u>\$705,888</u>	-16.3%	<u>\$683,789</u>	-3.1%	<u>\$660,288</u>	-3.4%
Sub-total	\$175,346,765	10.6%	\$194,812,477	11.1%	\$216,968,420	11.4%	\$238,551,865	9.9%	\$259,705,168	8.9%	\$256,857,696	-1.1%
Less Refunds	<u>-\$1,356,037</u>	-36.5%	<u>-\$594,441</u>	-56.2%	<u>-\$1,611,928</u>	171.2%	<u>-\$255,328</u>	-84.2%	<u>-\$430,350</u>	68.5%	<u>-\$164,507</u>	-61.8%
Actual Receipts	\$173,990,728	11.3%	\$194,218,036	11.6%	\$215,356,492	10.9%	\$238,296,538	10.7%	\$259,274,818	8.8%	\$256,693,189	-1.0%

Category	FY 2008-09		FY 2009-10		FY 2010-11		FY 2010-11		FY 2011-12		FY 2012-13	
	Actual	% Change	Actual	% Change	YTD	% Change	Forecast	% Change	Forecast	% Change	Forecast	% Change
Prior Fiscal Year Tax	\$792,780	128.2%	\$202,473	-74.5%	\$1,597,416		\$1,700,000	739.6%	\$500,000	-70.6%	\$500,000	0.0%
Quarter Ended 9/30	\$61,372,745	1.9%	\$56,219,338	-8.4%	\$57,878,993		\$57,879,000	3.0%	\$59,029,000	2.0%	\$60,480,000	2.5%
Quarter Ended 12/31	\$55,396,986	-3.9%	\$52,098,818	-6.0%	\$52,906,832		\$52,907,000	1.6%	\$53,701,000	1.5%	\$55,139,000	2.7%
Quarter Ended 3/31	\$55,631,091	1.6%	\$56,097,339	0.8%			\$56,378,000	0.5%	\$56,942,000	1.0%	\$58,618,000	2.9%
Quarter Ended 6/30	\$55,732,690	-7.8%	\$55,909,024	0.3%			\$56,468,000	1.0%	\$57,350,000	1.6%	\$59,234,000	3.3%
Annual Renewal - 3/15	\$3,641,700	-7.2%	\$4,492,267	23.4%	\$44,384		\$4,000,000	-11.0%	\$4,000,000	0.0%	\$4,200,000	5.0%
Returned Check Charges	\$0		\$0				\$0		\$0		\$0	
Interest/Penalties	\$80,602	15.6%	\$0	-100.0%			\$50,000		\$50,000	0.0%	\$50,000	0.0%
Risk Retention Groups												
Surplus Lines	\$9,616,470	-20.7%	\$6,307,611	-34.4%	\$5,986,169		\$7,000,000	11.0%	\$7,250,000	3.6%	\$7,500,000	3.4%
Workers Comp (Industrial)	\$4,621,905	-30.8%	\$2,206,128	-52.3%	\$1,403,173		\$2,500,000	13.3%	\$2,500,000	0.0%	\$2,500,000	0.0%
Independently Procured	<u>\$636,033</u>	-3.7%	<u>\$668,812</u>	5.2%	<u>\$360,616</u>		\$500,000	-25.2%	\$500,000	0.0%	\$500,000	0.0%
Sub-total	\$247,523,003	-3.6%	\$234,201,811	-5.4%	\$120,177,583		\$239,382,000	2.2%	\$241,822,000	1.0%	\$248,721,000	2.9%
Less Refunds	<u>-\$8,998,905</u>	5370.2%	<u>-\$296,348</u>	-96.7%	<u>-\$751,921</u>		-\$1,000,000	237.4%	-\$500,000	-50.0%	-\$500,000	0.0%
Actual Receipts	\$238,524,098	-7.1%	\$233,905,463	-1.9%	\$119,425,662		\$238,382,000	1.9%	\$241,322,000	1.2%	\$248,221,000	2.9%

CHART 1 - IPT
Annual Insurance Premium Tax General Fund Collections:
Actual: FY 1992 - FY 2010 Forecast: FY 2011 - FY 2013

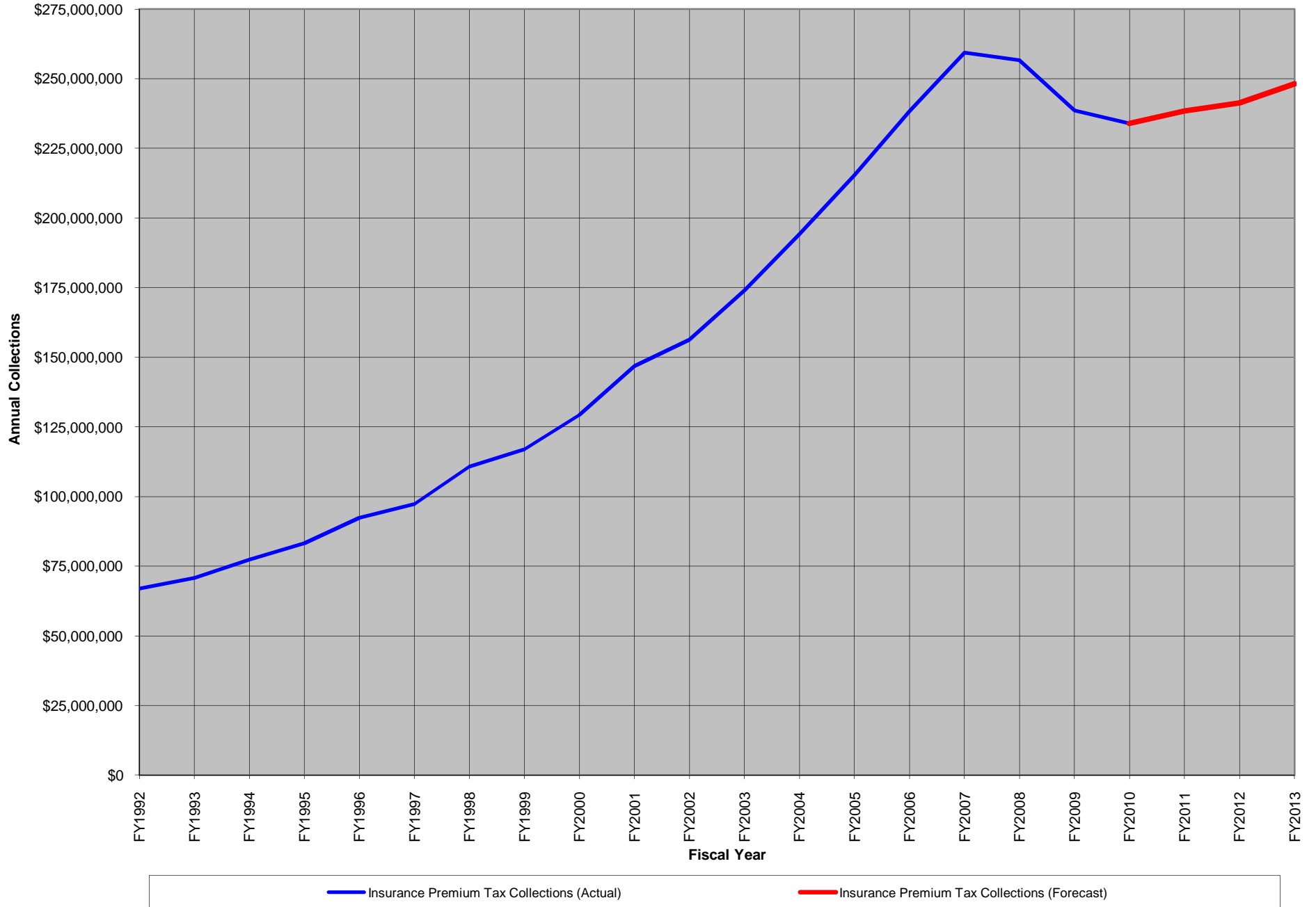


CHART 2 - IPT
Insurance Premium Tax Collection Growth: Actual and Forecast
Compared with Nonfarm Employment and Personal Income Growth
Actual: FY 1992 - FY 2010 Forecast: FY 2011 - FY 2013

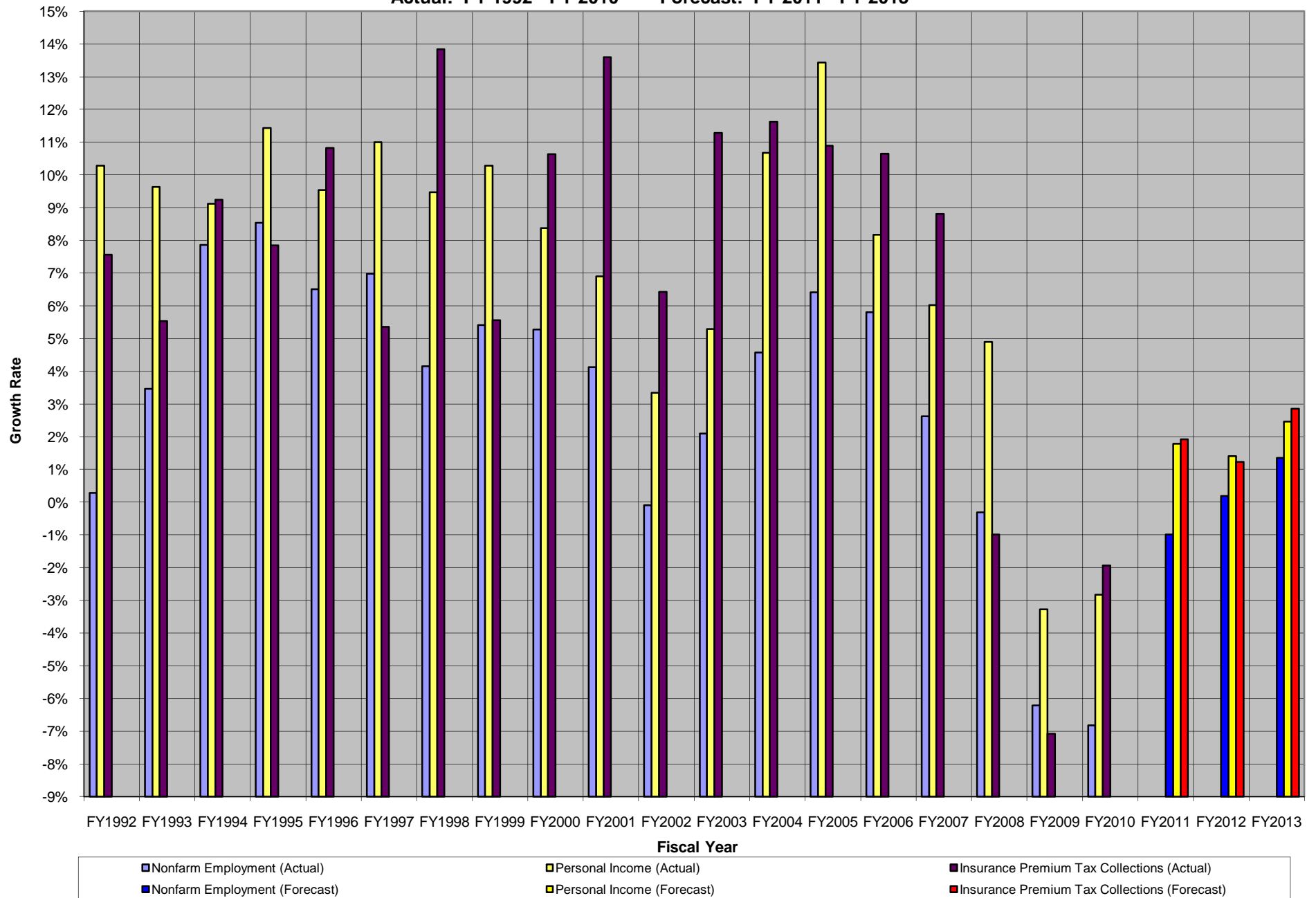
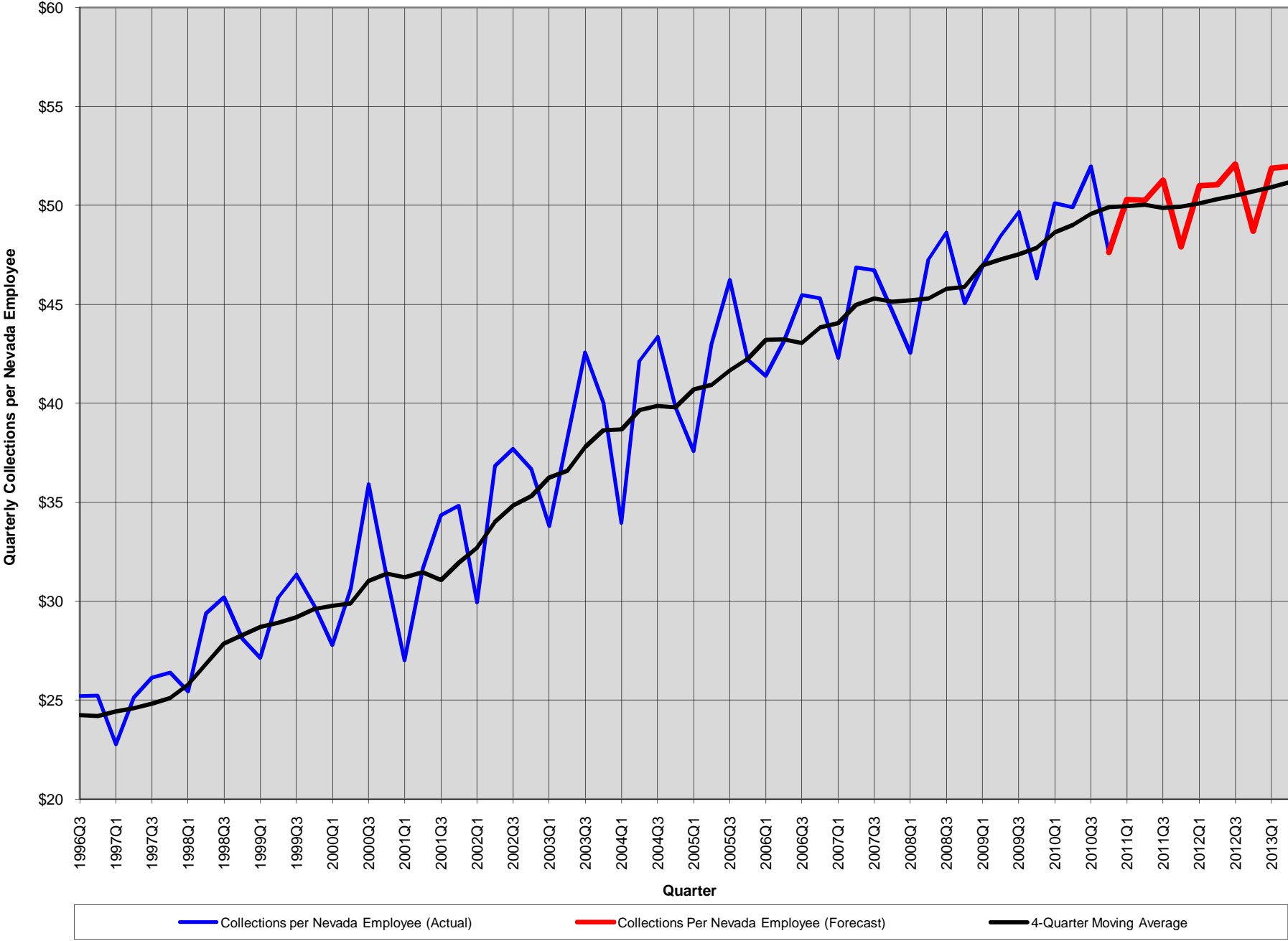


CHART 3 - IPT
Quarterly Insurance Premium Tax Collections per Nevada Employee
Actual: 1996Q3 - 2010Q4 Forecast: 2011Q1 - 2013Q2



MODIFIED BUSINESS TAX FORECAST

prepared for: **Nevada Economic Forum**
by: **LCB-Fiscal Analysis Division**
date: **May 2, 2011**



The FY 2011, FY 2012 and FY 2013 Forecast

The Fiscal Analysis Division projects total modified business tax collections on nonfinancial and financial institutions to decrease 1.0% to \$381.5 million in FY 2011, decrease 37.5% to \$238.3 million in FY 2012, and increase 0.8% to \$240.3 million in FY 2013.

Modified business tax collections from nonfinancial institutions are projected to decrease 0.5% to \$361.5 million in FY 2011, decrease 39.4% to \$219.1 million in FY 2012, and increase 0.6% to \$220.4 million in FY 2013.

Modified business tax collections from financial institutions are projected to decrease 8.0% to \$20.0 million in FY 2011, decrease 3.8% to \$19.2 million in FY 2012, and increase 3.8% to \$19.9 million in FY 2013.

General Background and Overview

- The modified business tax was created by Senate Bill 8 (20th Special Session) in 2003. The tax base for the modified business tax (MBT) is gross wages or payroll paid to employees less a deduction for allowable health care expenses paid for the employees. The wages covered by the tax are those wages required to be reported under Nevada's Unemployment Insurance statutes covered in Chapter 612 of the NRS. The effective date for the MBT was October 1, 2003, coinciding with the repeal of the Business License Tax.
- The modified business tax is composed of two separate taxes: a tax on financial institutions and a tax on all other businesses (nonfinancial institutions). The tax rate on financial institutions is 2.0% of the net amount equal to wages less health care deductions. Based on legislation approved in the 2005 Regular Session (SB 523), the tax rate on nonfinancial institutions was lowered from 0.65% to 0.63% for FY 2006 and FY 2007, and during the 2007 Regular Session (AB 628), the sunset provisions of SB 523 were repealed, making the tax rate of 0.63% on nonfinancial institutions permanent.
- Based on legislation approved during the 2009 Legislative Session (SB 429), the tax rate on nonfinancial institutions was changed from 0.63% on all taxable wages to a rate of 0.5% on taxable wages up to \$62,500 per quarter and a rate of 1.17% on taxable wages over \$62,500 per quarter effective July 1, 2009, through June 30, 2011. Effective July 1, 2011, for FY 2012, the tax rate on nonfinancial institutions changes back to the rate of 0.63% on all taxable wages.
- The Fiscal Analysis Division forecasts the two components of the MBT separately as the wage bases and the level of health care coverage for the nonfinancial and financial portions of the tax are different. Thus, the growth rates forecasted for the MBT-Nonfinancial may vary from those projected for the MBT-Financial.

FY 2010 Overview

- In FY 2010, total collections for the Modified Business Tax grew 38.8% to \$385.1 million. Collections for nonfinancial institutions grew 43.6% to \$363.4 million and financial institutions decreased 11.1% to \$21.7 million.
 - Note: The significant increases in the growth rates for total modified business tax collections and the nonfinancial institutions collections for FY 2010 are due to the 2009 legislative actions discussed above.
- The FY 2010 total collections include \$1.5 million of additional revenue that was deposited in FY 2010 fourth quarter collections as a result of Nevada's 2010 Tax Amnesty Program. Approximately \$1.49 million was deposited to nonfinancial institutions and approximately \$41,400 was deposited to financial institutions.

FY 2011 Year-to-Date Overview

- Through the second quarter of FY 2011, total modified business tax collections from nonfinancial and financial institutions were \$195.3 million, which reflects a -2.6% decrease over the first two quarters of FY 2010. However, the collections through the first two quarters of FY 2011 included \$2.8 million of additional revenue as a result of Nevada's 2010 Tax Amnesty Program. If the amnesty payments are excluded from the calculations, collections through the first two quarters of FY 2011 would have been \$192.5 million and a decrease of 4.0%.

- Modified business tax collections from nonfinancial institutions decreased by 2.2% through the second quarter of FY 2011, compared to the first two quarters of FY 2010, to \$185.1 million. The 2010 Tax Amnesty Program added an additional \$2.5 million to the collections from nonfinancial institutions during the first quarter of FY 2011. Without the amnesty payments, collections from nonfinancial institutions would have been \$182.6 million, resulting in a decrease of 3.5% compared to the first two quarters of FY 2010.
- Modified business tax collections from financial institutions decreased 9.1% through the second quarter of FY 2011, compared to the first two quarters of FY 2010, to \$10.1 million. The 2010 Tax Amnesty Program added an additional \$346,000 to the collections from financial institutions in the first quarter of FY 2011. Without the amnesty payments, collections from financial institutions would have been \$9.8 million, resulting in a decrease of 12.5% over the first two quarters of FY 2010.

Forecast Explanation

The Fiscal Analysis Division generates forecasts for the modified business tax on nonfinancial and financial institutions by using separate projections of wage growth on a quarterly basis for the nonfinancial sector and financial sector of Nevada's wage disbursements.

Table 1 displays the actual quarterly collections for the MBT-NFI and MBT-FI reported by the Department of Taxation for the second quarter of FY 2004 through the second quarter of FY 2011.

Table 1 also presents Fiscal Analysis Division's forecasts for the MBT-NFI and MBT-FI for the third quarter of FY 2011 through the fourth quarter of FY 2013 based on projections of wage growth discussed below.

NONFINANCIAL INSTITUTIONS

- The Fiscal Analysis Division developed its own forecast for nonfinancial wages to forecast modified business tax collections from nonfinancial institutions. The Fiscal Analysis Division expects that the proportion of health care deductions applied to taxable nonfinancial institution wages will remain constant at 8.2% for the forecast period spanning FY 2011 to FY 2013, based on the percentage of health care deductions reported during FY 2010. Thus, the forecast growth in MBT collections from nonfinancial institutions reflects the projected growth in total nonfinancial wages derived from the Fiscal Analysis Division's forecast developed in April 2011 for presentation at the Economic Forum May 2011 meeting.
- Modified business tax collections from nonfinancial institutions are projected to decrease 0.5% to \$361.5 million in FY 2011. Based on collections through the second quarter of FY 2011 declining by 2.2% compared to the first two quarters of FY 2010, nonfinancial collections need to increase by an average of 1.3% over the last two quarters of FY 2011.
- Nonfinancial collections are forecast to decrease 39.4% to \$219.1 million in FY 2012, and increase 0.6% to \$220.4 million in FY 2013.
- The Fiscal Analysis Division nonfinancial institution MBT forecast of \$361.5 million for FY 2011 is approximately \$8.9 million higher than Fiscal's December 1, 2010, forecast. The revised forecast takes into account the revised Bureau of Economic Analysis (BEA) wage data and the benchmarked Bureau of Labor Statistics (BLS) employment data reported for 2010. The May 2011 nonfinancial institution MBT forecast for FY 2012 and FY 2013 are approximately \$7.6 million and \$7.8 million higher, respectively, than the forecasts presented at the December 1 meeting.

IMPACT OF AMNESTY PROGRAM MBT COLLECTIONS ON FY 2011 and FY 2012 FORECAST

- MBT collections from nonfinancial institutions are projected to decrease by 0.5% in FY 2011 due to the \$2.48 million in amnesty payments collected in the first quarter of FY 2011 versus a decrease of 0.8% without the amnesty.
- MBT collections from nonfinancial institutions are projected to decrease by 39.40% in FY 2012 due to the \$2.48 million in amnesty payments collected in the first quarter of FY 2011 versus a decrease of 39.0% without the amnesty.

Table 2 displays a comparison of historical and projected Nonfinancial Institution Taxable Wages, Collections and the Average Effective Tax Rate shown with amnesty and without amnesty collections. The quarters that are impacted by amnesty are shown in bold and will reflect differences in the growth rates for Taxable Wages and Collections for those quarters impacted by amnesty collections.

FISCAL ANALYSIS DIVISION FORECAST OF NONFINANCIAL WAGES AND ITS COMPONENTS

Table 2A shows historical and projected Nonfinancial Institution Wages, Employment, Average Annual Wage and Inflation Adjusted Annual Average Wage.

- The Fiscal Analysis Division projects nonfinancial wages will increase 1.9% in FY 2011. Incorporated into this forecast is a projected employment decrease of 0.6% and an increase of 2.5% in the average annual wage per employee.
- Nonfinancial institution wages are forecasted to increase 0.8% in FY 2012. Incorporated into this forecast is a projected employment increase of 0.5% and an increase of 0.3% in the average annual wage per employee.
- Nonfinancial institution wages are forecasted to increase 2.2% in FY 2013. Incorporated into this forecast is projected employment growth of 1.3% and an increase of 0.9% in the average annual wage per employee.

FINANCIAL INSTITUTIONS

- The Fiscal Analysis Division developed its own forecast for Financial Activities wages to forecast modified business tax collections from financial institutions. The Fiscal Analysis Division expects that the proportion of health care deductions applied to taxable financial institution wages will remain constant at 6.5% for the forecast period spanning FY 2011 to FY 2013, based on the percentage of health care deductions reported during FY 2010. Thus, the forecast growth in MBT collections from financial institutions reflects the projected growth in total financial wages derived from the Fiscal Analysis Division's forecast developed in April 2011 for presentation at the Economic Forum May 2011 meeting.
- Modified business tax collections from financial institutions are projected to decrease 8.0% to \$20.0 million in FY 2011. Based on collections through the second quarter of FY 2011 declining 9.1% compared to the first two quarters of FY 2010, financial collections need to decrease by an average of 6.8% over the last two quarters of FY 2011.
- Modified business tax collections from financial institutions are projected to decrease 3.8% to \$19.2 million in FY 2012, and increase 3.8% to \$19.9 million in FY 2013.
- The Fiscal Analysis Division financial institution MBT forecast of \$20.0 million for FY 2011 is approximately \$151,000 higher than Fiscal's December 1, 2010, forecast. The revised forecast takes into account the revised Bureau of Economic Analysis (BEA) wage data and the benchmarked Bureau of Labor Statistics (BLS) employment data reported for 2010. The May 2011 financial institution MBT forecast for FY 2012 and FY 2013 are approximately \$121,000 and \$128,000 higher, respectively, than the forecasts presented at the December 1 meeting.

IMPACT OF AMNESTY PROGRAM MBT COLLECTIONS ON FY 2011 AND FY 2012 FORECAST

- MBT collections from financial institutions are projected to decrease by 8.0% in FY 2011 due to the \$346,000 in amnesty payments collected in the first quarter of FY 2011 versus a decrease of 9.4% without the amnesty.
- MBT collections from financial institutions are projected to decrease by 3.8% in FY 2012 due to the \$346,000 in amnesty payments collected in the first quarter of FY 2011, versus a decrease of 2.1% without the amnesty.

Table 3 displays a comparison of historical and projected Financial Institution Taxable Wages, Collections and the Average Effective Tax Rate shown with amnesty and without amnesty collections. The quarters that are impacted by amnesty are shown in bold and will reflect differences in the growth rates for Taxable Wages and Collections for those quarters impacted by amnesty collections.

FISCAL ANALYSIS DIVISION FORECAST OF FINANCIAL WAGES AND ITS COMPONENTS

Table 3A shows historical and projected Financial Institution Wages, Employment, Average Annual Wage and Inflation Adjusted Annual Average Wage.

- The Fiscal Analysis Division projects financial institution wages to decrease 1.7% in FY 2011. Incorporated into this forecast is a projected employment decrease of 4.4% and an increase of 2.8% in the average annual wage per employee.
- Financial institution wages are forecast to increase 0.1% in FY 2012. Incorporated into this forecast is a projected employment decrease of 1.3% and an increase of 1.4% in the average annual wage per employee.
- Financial institution wages are forecast to increase 3.8% in FY 2013. Incorporated into this forecast is projected employment growth of 2.5% and an increase of 1.2% in the average annual wage per employee.

MODIFIED BUSINESS TAX - NONFINANCIAL INSTITUTIONS (MBT-NFI)

Actual MBT-NFI Data on Wages, Health Care Deductions, and Tax Collections Reported by the Department of Taxation
 Quarterly: 2003:4th Quarter to 2010:4th Quarter and Fiscal Year: FY 2004 - FY 2010
 Amounts are Shown in Millions of Dollars

Fiscal Year	Quarter	Actual BEA Wages: Nonfinancial Activities	Percent Change: Same Year Ago	Taxation's Actual Reported MBT-NFI Wages	Percent Change: Same Year Ago	Taxation's Actual Reported Wages as a Percent of BEA Wages	Taxation's Actual Reported MBT-NFI Health Deductions	Percent Change: Same Year Ago	Taxation's Reported Health Deductions as a Percent of Wages	Taxation's Actual Reported MBT-NFI Wages less Health Care Deductions	Percent Change: Same Year Ago	Taxation's Actual Reported MBT-NFI Tax Collections	Percent Change: Same Year Ago	Average Effective Tax Rate
FY 2004	2003Q3													
FY 2004	2003Q4	\$8,389.3		\$7,476.1		89.1%	\$583.0		7.8%	\$6,893.0		\$47.6		
FY 2004	2004Q1	\$8,538.0		\$7,576.1		88.7%	\$537.0		7.1%	\$7,039.1		\$49.0		
FY 2004	2004Q2	\$8,823.3		\$7,639.5		86.6%	\$524.7		6.9%	\$7,114.8		\$49.6		
FY 2005	2004Q3	\$9,187.5		\$8,096.6		88.1%	\$585.9		7.2%	\$7,510.8		\$48.7		
FY 2005	2004Q4	\$9,460.3	12.8%	\$8,949.2	19.7%	94.6%	\$581.3	-0.3%	6.5%	\$8,367.9	21.4%	\$53.7	12.9%	0.64%
FY 2005	2005Q1	\$9,703.3	13.6%	\$8,382.1	10.6%	86.4%	\$588.4	9.6%	7.0%	\$7,793.7	10.7%	\$51.1	4.3%	0.66%
FY 2005	2005Q2	\$10,153.3	15.1%	\$8,466.6	10.8%	83.4%	\$570.2	8.7%	6.7%	\$7,896.4	11.0%	\$51.8	4.5%	0.66%
FY 2006	2005Q3	\$10,116.0	10.1%	\$8,596.9	6.2%	85.0%	\$579.0	-1.2%	6.7%	\$8,017.9	6.8%	\$51.5	5.8%	0.64%
FY 2006	2005Q4	\$10,130.3	7.1%	\$10,139.5	13.3%	100.1%	\$716.6	23.3%	7.1%	\$9,422.9	12.6%	\$64.5	20.0%	0.68%
FY 2006	2006Q1	\$10,543.0	8.7%	\$11,214.2	33.8%	106.4%	\$800.3	36.0%	7.1%	\$10,413.9	33.6%	\$56.6	10.8%	0.54%
FY 2006	2006Q2	\$10,813.3	6.5%	\$9,639.1	13.8%	89.1%	\$671.2	17.7%	7.0%	\$8,967.8	13.6%	\$60.1	16.1%	0.67%
FY 2007	2006Q3	\$10,825.0	7.0%	\$10,871.8	26.5%	100.4%	\$828.9	43.2%	7.6%	\$10,042.9	25.3%	\$63.7	23.6%	0.63%
FY 2007	2006Q4	\$11,168.5	10.2%	\$10,955.3	8.0%	98.1%	\$763.3	6.5%	7.0%	\$10,192.0	8.2%	\$69.6	8.0%	0.68%
FY 2007	2007Q1	\$11,437.0	8.5%	\$10,437.4	-6.9%	91.3%	\$731.7	-8.6%	7.0%	\$9,705.7	-6.8%	\$63.8	12.6%	0.66%
FY 2007	2007Q2	\$11,511.8	6.5%	\$9,839.2	2.1%	85.5%	\$748.1	11.4%	7.6%	\$9,091.1	1.4%	\$60.3	0.3%	0.66%
FY 2008	2007Q3	\$11,700.3	8.1%	\$9,933.8	-8.6%	84.9%	\$784.5	-5.4%	7.9%	\$9,149.3	-8.9%	\$59.8	-6.2%	0.65%
FY 2008	2007Q4	\$12,182.8	9.1%	\$11,511.9	5.1%	94.5%	\$782.8	2.6%	6.8%	\$10,729.1	5.3%	\$68.1	-2.2%	0.63%
FY 2008	2008Q1	\$11,906.8	4.1%	\$10,964.7	5.1%	92.1%	\$824.1	12.6%	7.5%	\$10,140.6	4.5%	\$67.3	5.6%	0.66%
FY 2008	2008Q2	\$11,506.3	0.0%	\$11,444.8	16.3%	99.5%	\$856.7	14.5%	7.5%	\$10,588.2	16.5%	\$68.7	13.9%	0.65%
FY 2009	2008Q3	\$11,326.5	-3.2%	\$11,237.7	13.1%	99.2%	\$875.9	11.7%	7.8%	\$10,361.8	13.3%	\$68.9	15.2%	0.66%
FY 2009	2008Q4	\$10,861.5	-10.8%	\$11,020.5	-4.3%	101.5%	\$862.7	10.2%	7.8%	\$10,157.8	-5.3%	\$69.7	2.3%	0.69%
FY 2009	2009Q1	\$10,304.3	-13.5%	\$9,984.2	-8.9%	96.9%	\$804.4	-2.4%	8.1%	\$9,179.8	-9.5%	\$59.8	-11.2%	0.65%
FY 2009	2009Q2	\$10,175.8	-11.6%	\$8,852.5	-22.7%	87.0%	\$754.1	-12.0%	8.5%	\$8,098.5	-23.5%	\$54.8	-20.2%	0.68%
FY 2010	2009Q3	\$10,008.3	-11.6%	\$9,704.4	-13.6%	97.0%	\$822.0	-6.2%	8.5%	\$8,882.4	-14.3%	\$90.5	31.4%	1.02%
FY 2010	2009Q4	\$9,863.0	-9.2%	\$9,904.3	-10.1%	100.4%	\$766.7	-11.1%	7.7%	\$9,137.6	-10.0%	\$98.8	41.9%	1.08%
FY 2010	2010Q1	\$9,692.8	-5.9%	\$8,776.8	-12.1%	90.5%	\$731.7	-9.0%	8.3%	\$8,045.1	-12.4%	\$86.3	44.3%	1.07%
FY 2010	2010Q2	\$9,847.5	-3.2%	\$8,977.7	1.4%	91.2%	\$748.4	-0.7%	8.3%	\$8,229.3	1.6%	\$87.8	60.1%	1.07%
FY 2011	2010Q3	\$9,963.3	-0.4%	\$9,293.6	-4.2%	93.3%	\$759.0	-7.7%	8.2%	\$8,534.6	-3.9%	\$90.5	0.0%	1.06%
FY 2011	2010Q4	\$10,044.0	1.8%	\$9,663.9	-2.4%	96.2%	\$722.4	-5.8%	7.5%	\$8,941.5	-2.1%	\$94.6	-4.2%	1.06%
FY 2004		\$25,750.6		\$22,691.6		88.1%	\$1,644.7		7.2%	\$21,046.9		\$146.2		
FY 2005		\$38,504.4	49.5%	\$33,894.5	49.4%	88.0%	\$2,325.7	41.4%	6.9%	\$31,568.8	50.0%	\$205.3	40.5%	0.65%
FY 2006		\$41,602.6	8.0%	\$39,589.6	16.8%	95.2%	\$2,767.1	19.0%	7.0%	\$36,822.6	16.6%	\$232.8	13.3%	0.63%
FY 2007		\$44,942.3	8.0%	\$42,103.7	6.4%	93.7%	\$3,072.0	11.0%	7.3%	\$39,031.7	6.0%	\$257.4	10.6%	0.66%
FY 2008		\$47,296.2	5.2%	\$43,855.2	4.2%	92.7%	\$3,248.1	5.7%	7.4%	\$40,607.1	4.0%	\$263.9	2.5%	0.65%
FY 2009		\$42,668.1	-9.8%	\$41,095.0	-6.3%	96.3%	\$3,297.1	1.5%	8.0%	\$37,797.9	-6.9%	\$253.1	-4.1%	0.67%
FY 2010		\$39,411.6	-7.6%	\$37,363.4	-9.1%	94.8%	\$3,068.9	-6.9%	8.2%	\$34,294.5	-9.3%	\$363.4	43.6%	1.06%

NOTE:

The wages data displayed in the column labeled "Actual BEA & Moody's Wages: Nonfinancial Activities" is equal to Total Wages less Government Wages and Financial Activities Wages) based on information reported by the Bureau of Economic Analysis (BEA). The Financial Activities Wages component is the aggregate total of NAICS 52 - Finance & Insurance and NAICS 53 - Real Estate & Rental and Leasing, which is the financial activity series included in the personal income and wage sector of the Nevada economic model developed by Moody's.

The Modified Business Tax on Nonfinancial Institutions became effective October 1, 2003 as approved in Senate Bill 8 from the 20th Special Session (2003). Thus, the growth rate shown for FY 2005 is based on four quarters of taxable activity and collections for FY 2005 compared to only 3 quarters for FY 2004.

Pursuant to SB 429 passed during the 2009 Legislative Session, the Modified Business Tax on Nonfinancial Institutions was changed from a rate of .63% on all taxable wages to a rate of .05% on taxable wages up to \$62,500 per quarter and a rate of 1.17% on taxable wages over \$62,500 per quarter, effective July 1, 2009 through June 30, 2010. Effective July 1, 2011, the tax rate on all Nonfinancial Institutions changes back to the 0.63% rate.

Table 1
MODIFIED BUSINESS TAX COLLECTIONS AND FORECAST BY QUARTER AND FISCAL YEAR FOR
NONFINANCIAL INSTITUTIONS (MBT-NFI) AND FINANCIAL INSTITUTIONS (MBT-FI)

Actual: FY 2004-Second Quarter through FY 2011-Second Quarter

Forecast: FY 2011-Third Quarter through FY 2013-Fourth Quarter

Amounts Shown in Millions of Dollars

Fiscal Year	Fiscal Quarter	Fiscal Quarter Months	Total MBT Collections Actual and Forecast	% Change Year Ago	Nonfinancial Collections Actual and Forecast	% Change Year Ago	Financial Collections Actual and Forecast	% Change Year Ago
FY 2004	Second	Oct-Dec	\$52.101		\$47.596		\$4.504	
FY 2004	Third	Jan-Mar	\$54.743		\$49.007		\$5.736	
FY 2004	Fourth	Apr-Jun	\$54.806		\$49.558		\$5.247	
FY 2005	First	Jul-Sep	\$52.604		\$48.709		\$3.896	
FY 2005	Second	Oct-Dec	\$58.893	13.0%	\$53.728	12.9%	\$5.165	14.7%
FY 2005	Third	Jan-Mar	\$57.724	5.4%	\$51.115	4.3%	\$6.610	15.2%
FY 2005	Fourth	Apr-Jun	\$57.702	5.3%	\$51.797	4.5%	\$5.906	12.5%
FY 2006	First	Jul-Sep	\$56.784	7.9%	\$51.519	5.8%	\$5.266	35.2%
FY 2006	Second	Oct-Dec	\$70.395	19.5%	\$64.477	20.0%	\$5.918	14.6%
FY 2006	Third	Jan-Mar	\$63.143	9.4%	\$56.620	10.8%	\$6.523	-1.3%
FY 2006	Fourth	Apr-Jun	\$64.930	12.5%	\$60.145	16.1%	\$4.785	-19.0%
FY 2007	First	Jul-Sep	\$69.136	21.8%	\$63.698	23.6%	\$5.438	3.3%
FY 2007	Second	Oct-Dec	\$74.789	6.2%	\$69.623	8.0%	\$5.166	-12.7%
FY 2007	Third	Jan-Mar	\$69.383	9.9%	\$63.768	12.6%	\$5.615	-13.9%
FY 2007	Fourth	Apr-Jun	\$65.645	1.1%	\$60.344	0.3%	\$5.302	10.8%
FY 2008	First	Jul-Sep	\$64.569	-6.6%	\$59.777	-6.2%	\$4.792	-11.9%
FY 2008	Second	Oct-Dec	\$72.562	-3.0%	\$68.072	-2.2%	\$4.490	-13.1%
FY 2008	Third	Jan-Mar	\$73.105	5.4%	\$67.338	5.6%	\$5.767	2.7%
FY 2008	Fourth	Apr-Jun	\$74.364	13.3%	\$68.715	13.9%	\$5.649	6.6%
FY 2009	First	Jul-Sep	\$74.101	14.8%	\$68.852	15.2%	\$5.249	9.5%
FY 2009	Second	Oct-Dec	\$74.861	3.2%	\$69.660	2.3%	\$5.201	15.8%
FY 2009	Third	Jan-Mar	\$68.148	-6.8%	\$59.791	-11.2%	\$8.358	44.9%
FY 2009	Fourth	Apr-Jun	\$60.407	-18.8%	\$54.817	-20.2%	\$5.590	-1.0%
FY 2010	First	Jul-Sep	\$95.688	29.1%	\$90.496	31.4%	\$5.192	-1.1%
FY 2010	Second	Oct-Dec	\$104.795	40.0%	\$98.828	41.9%	\$5.967	14.7%
FY 2010	Third	Jan-Mar	\$92.221	35.3%	\$86.306	44.3%	\$5.915	-29.2%
FY 2010	Fourth	Apr-Jun	\$92.406	53.0%	\$87.782	60.1%	\$4.624	-17.3%
FY 2011	First	Jul-Sep	\$95.621	-0.1%	\$90.504	0.0%	\$5.116	-1.5%
FY 2011	Second	Oct-Dec	\$99.662	-4.9%	\$94.637	-4.2%	\$5.025	-15.8%
FY 2011	Third	Jan-Mar	\$94.064	2.0%	\$88.646	2.7%	\$5.418	-8.4%
FY 2011	Fourth	Apr-Jun	\$92.104	-0.3%	\$87.699	-0.1%	\$4.405	-4.7%
FY 2012	First	Jul-Sep	\$58.995	-38.3%	\$54.659	-39.6%	\$4.336	-15.3%
FY 2012	Second	Oct-Dec	\$62.519	-37.3%	\$57.547	-39.2%	\$4.972	-1.1%
FY 2012	Third	Jan-Mar	\$59.114	-37.2%	\$53.674	-39.5%	\$5.440	0.4%
FY 2012	Fourth	Apr-Jun	\$57.674	-37.4%	\$53.218	-39.3%	\$4.456	1.2%
FY 2013	First	Jul-Sep	\$58.594	-0.7%	\$54.169	-0.9%	\$4.425	2.1%
FY 2013	Second	Oct-Dec	\$62.861	0.5%	\$57.733	0.3%	\$5.127	3.1%
FY 2013	Third	Jan-Mar	\$59.938	1.4%	\$54.259	1.1%	\$5.678	4.4%
FY 2013	Fourth	Apr-Jun	\$58.907	2.1%	\$54.205	1.9%	\$4.702	5.5%
FY 2004			\$161.649		\$146.162		\$15.488	
FY 2005			\$226.924	40.4%	\$205.348	40.5%	\$21.575	39.3%
FY 2006			\$255.252	12.5%	\$232.761	13.3%	\$22.491	4.2%
FY 2007			\$278.953	9.3%	\$257.432	10.6%	\$21.520	-4.3%
FY 2008			\$284.600	2.0%	\$263.902	2.5%	\$20.698	-3.8%
FY 2009			\$277.516	-2.5%	\$253.119	-4.1%	\$24.398	17.9%
FY 2010			\$385.110	38.8%	\$363.412	43.6%	\$21.698	-11.1%
FY 2011			\$381.451	-1.0%	\$361.486	-0.5%	\$19.965	-8.0%
FY 2012			\$238.303	-37.5%	\$219.099	-39.4%	\$19.204	-3.8%
FY 2013			\$240.299	0.8%	\$220.367	0.6%	\$19.933	3.8%

Note: The quarters and fiscal years in bold include additional collections due to Nevada's 2008 and 2010 amnesty programs.

Table 2
MODIFIED BUSINESS TAX FOR NONFINANCIAL INSTITUTIONS (MBT-NFI)
TAXABLE WAGES, COLLECTIONS AND EFFECTIVE TAX RATE BY QUARTER AND FISCAL YEAR

Actual: FY 2009-First Quarter through FY 2011-Second Quarter
Forecast: FY 2011-Third Quarter through FY 2013-Fourth Quarter
Amounts Shown in Millions of Dollars

Fiscal Year	Fiscal Quarter	Fiscal Quarter Months	With Amnesty					Without Amnesty				
			Nonfinancial Taxable Wages Actual and Forecast	% Change Year Ago	Nonfinancial Collections Actual and Forecast	% Change Year Ago	Average Effective Tax Rate	Nonfinancial Taxable Wages Actual and Forecast	% Change Year Ago	Nonfinancial Collections Actual and Forecast	% Change Year Ago	Average Effective Tax Rate
FY 2009	First	Jul-Sep	\$10,361.8	13.3%	\$68.9	15.2%	0.664%	\$9,849.4	7.7%	\$63.4	6.1%	0.644%
FY 2009	Second	Oct-Dec	\$10,157.8	-5.3%	\$69.7	2.3%	0.686%	\$9,797.0	-8.7%	\$65.8	-3.3%	0.672%
FY 2009	Third	Jan-Mar	\$9,179.8	-9.5%	\$59.8	-11.2%	0.651%	\$9,179.8	-9.5%	\$59.8	-11.2%	0.651%
FY 2009	Fourth	Apr-Jun	\$8,098.5	-23.5%	\$54.8	-20.2%	0.677%	\$8,098.5	-20.8%	\$54.8	-15.5%	0.677%
FY 2010	First	Jul-Sep	\$8,882.4	-14.3%	\$90.5	31.4%	1.019%	\$8,882.4	-9.8%	\$90.5	42.7%	1.019%
FY 2010	Second	Oct-Dec	\$9,137.6	-10.0%	\$98.8	41.9%	1.082%	\$9,137.6	-6.7%	\$98.8	50.1%	1.082%
FY 2010	Third	Jan-Mar	\$8,045.1	-12.4%	\$86.3	44.3%	1.073%	\$8,045.1	-12.4%	\$86.3	44.3%	1.073%
FY 2010	Fourth	Apr-Jun	\$8,229.3	1.6%	\$87.8	60.1%	1.067%	\$8,088.4	-0.1%	\$86.3	57.4%	1.067%
FY 2011	First	Jul-Sep	\$8,534.6	-3.9%	\$90.5	0.0%	1.060%	\$8,300.9	-6.5%	\$88.0	-2.7%	1.060%
FY 2011	Second	Oct-Dec	\$8,941.5	-2.1%	\$94.6	-4.2%	1.058%	\$8,941.5	-2.1%	\$94.6	-4.2%	1.058%
FY 2011	Third	Jan-Mar	\$8,362.8	3.9%	\$88.646	2.7%	1.060%	\$8,362.8	3.9%	\$88.6	2.7%	1.060%
FY 2011	Fourth	Apr-Jun	\$8,273.5	0.5%	\$87.699	-0.1%	1.060%	\$8,273.5	2.3%	\$87.7	1.6%	1.060%
FY 2012	First	Jul-Sep	\$8,393.6	-1.7%	\$54.659	-39.6%	0.651%	\$8,393.6	1.1%	\$54.7	-37.9%	0.651%
FY 2012	Second	Oct-Dec	\$8,994.5	0.6%	\$57.547	-39.2%	0.640%	\$8,994.5	0.6%	\$57.5	-39.2%	0.640%
FY 2012	Third	Jan-Mar	\$8,412.9	0.6%	\$53.674	-39.5%	0.638%	\$8,412.9	0.6%	\$53.7	-39.5%	0.638%
FY 2012	Fourth	Apr-Jun	\$8,358.4	1.0%	\$53.218	-39.3%	0.637%	\$8,358.4	1.0%	\$53.2	-39.3%	0.637%
FY 2013	First	Jul-Sep	\$8,521.2	1.5%	\$54.169	-0.9%	0.636%	\$8,521.2	1.5%	\$54.2	-0.9%	0.636%
FY 2013	Second	Oct-Dec	\$9,164.0	1.9%	\$57.733	0.3%	0.630%	\$9,164.0	1.9%	\$57.7	0.3%	0.630%
FY 2013	Third	Jan-Mar	\$8,612.6	2.4%	\$54.259	1.1%	0.630%	\$8,612.6	2.4%	\$54.3	1.1%	0.630%
FY 2013	Fourth	Apr-Jun	\$8,603.9	2.9%	\$54.205	1.9%	0.630%	\$8,603.9	2.9%	\$54.2	1.9%	0.630%
FY 2004			\$21,046.9		\$146.2		0.694%	\$21,046.9		\$146.2		0.694%
FY 2005			\$31,568.8	50.0%	\$205.3	40.5%	0.650%	\$31,568.8	50.0%	\$205.3	40.5%	0.650%
FY 2006			\$36,822.6	16.6%	\$232.8	13.3%	0.632%	\$36,822.6	16.6%	\$232.8	13.3%	0.632%
FY 2007			\$39,031.7	6.0%	\$257.4	10.6%	0.660%	\$39,031.7	6.0%	\$257.4	10.6%	0.660%
FY 2008			\$40,607.1	4.0%	\$263.9	2.5%	0.650%	\$40,247.1	3.1%	\$260.1	1.0%	0.646%
FY 2009			\$37,797.9	-6.9%	\$253.1	-4.1%	0.670%	\$36,924.8	-8.3%	\$243.9	-6.2%	0.660%
FY 2010			\$34,294.5	-9.3%	\$363.4	43.6%	1.060%	\$34,153.6	-7.5%	\$361.9	48.4%	1.060%
FY 2011			\$34,112.4	-0.5%	\$361.5	-0.5%	1.060%	\$33,878.8	-0.8%	\$359.0	-0.8%	1.060%
FY 2012			\$34,159.5	0.1%	\$219.1	-39.4%	0.641%	\$34,159.5	0.8%	\$219.1	-39.0%	0.641%
FY 2013			\$34,901.7	2.2%	\$220.4	0.6%	0.631%	\$34,901.7	2.2%	\$220.4	0.6%	0.631%

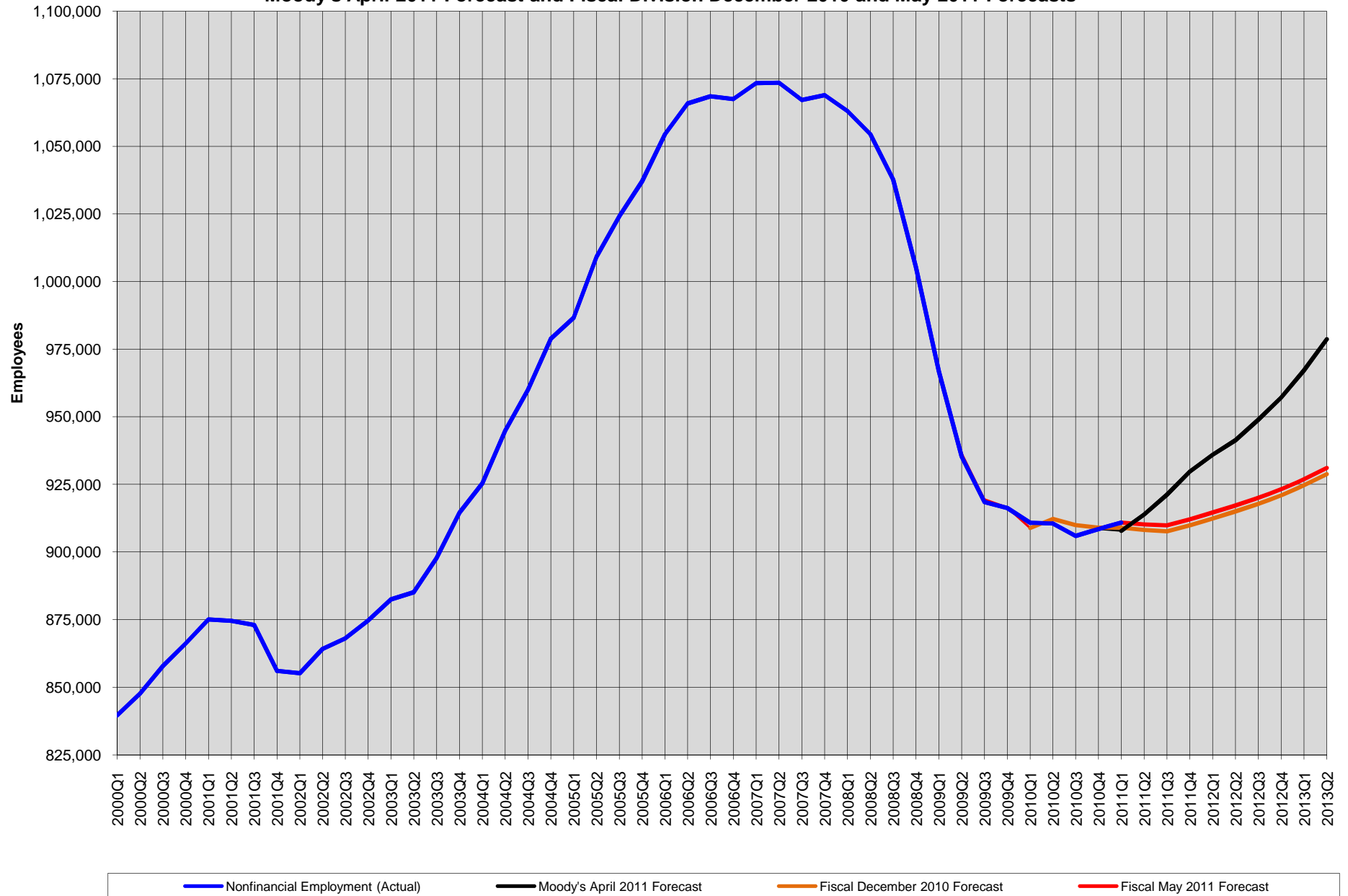
TABLE 2A
MODIFIED BUSINESS TAX - NONFINANCIAL INSTITUTIONS
ACTUAL AND FORECAST WAGES AND EMPLOYMENT
(Actual Through FY 2011Q2)

	Wage Disbursements, Nonfinancial (Million \$)	Employment, Nonfinancial (Thous.)	Average Annual Wage, Nonfinancial (Thous. \$)	Wage Inflation Index	Inflation Adjusted Annual Wage, Nonfinancial (Thous. \$)
FY 1991	\$12,100	517.9	\$23.4	0.78	\$30.0
FY 1992	\$12,660	513.4	\$24.7	0.80	\$30.7
FY 1993	\$13,831	529.5	\$26.1	0.83	\$31.6
FY 1994	\$15,253	575.7	\$26.5	0.85	\$31.2
FY 1995	\$16,880	628.7	\$26.8	0.87	\$30.7
FY 1996	\$18,750	671.8	\$27.9	0.90	\$31.1
FY 1997	\$20,845	720.0	\$29.0	0.92	\$31.4
FY 1998	\$22,562	749.2	\$30.1	0.94	\$32.1
FY 1999	\$25,038	789.3	\$31.7	0.96	\$33.2
FY 2000	\$27,098	834.6	\$32.5	0.98	\$33.0
FY 2001	\$28,898	868.4	\$33.3	1.02	\$32.7
FY 2002	\$29,386	862.1	\$34.1	1.03	\$32.9
FY 2003	\$30,710	877.6	\$35.0	1.06	\$33.1
FY 2004	\$33,870	920.6	\$36.8	1.08	\$34.0
FY 2005	\$38,504	983.7	\$39.1	1.11	\$35.1
FY 2006	\$41,602	1,045.4	\$39.8	1.16	\$34.4
FY 2007	\$44,941	1,070.8	\$42.0	1.18	\$35.4
FY 2008	\$47,296	1,063.4	\$44.5	1.23	\$36.2
FY 2009	\$42,667	986.3	\$43.3	1.25	\$34.7
FY 2010	\$39,412	914.0	\$43.1	1.27	\$33.9
FY 2011	\$40,156	908.9	\$44.2	1.35	\$32.6
FY 2012	\$40,490	913.4	\$44.3	1.39	\$31.8
FY 2013	\$41,373	925.3	\$44.7	1.43	\$31.3

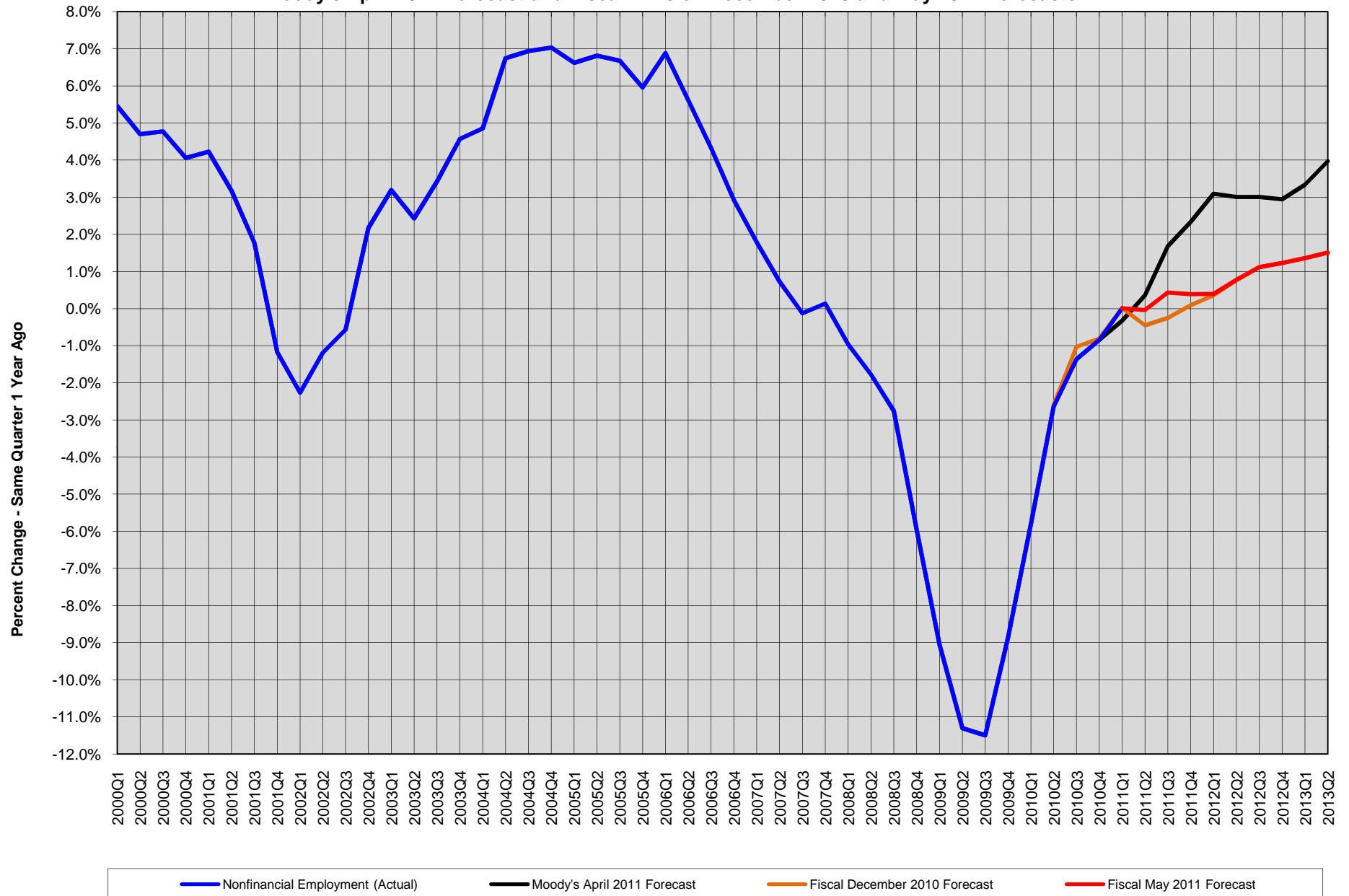
ANNUAL PERCENT CHANGE

FY 1991					
FY 1992	4.6%	-0.9%	5.5%	3.2%	2.3%
FY 1993	9.3%	3.1%	5.9%	3.1%	2.7%
FY 1994	10.3%	8.7%	1.4%	2.6%	-1.1%
FY 1995	10.7%	9.2%	1.3%	2.8%	-1.5%
FY 1996	11.1%	6.9%	3.9%	2.7%	1.2%
FY 1997	11.2%	7.2%	3.7%	2.8%	0.9%
FY 1998	8.2%	4.0%	4.0%	1.8%	2.2%
FY 1999	11.0%	5.4%	5.3%	1.7%	3.5%
FY 2000	8.2%	5.7%	2.4%	2.9%	-0.5%
FY 2001	6.6%	4.1%	2.5%	3.4%	-0.9%
FY 2002	1.7%	-0.7%	2.4%	1.8%	0.7%
FY 2003	4.5%	1.8%	2.7%	2.2%	0.4%
FY 2004	10.3%	4.9%	5.1%	2.2%	2.8%
FY 2005	13.7%	6.9%	6.4%	3.0%	3.3%
FY 2006	8.0%	6.3%	1.7%	3.8%	-2.0%
FY 2007	8.0%	2.4%	5.5%	2.5%	2.9%
FY 2008	5.2%	-0.7%	6.0%	3.7%	2.1%
FY 2009	-9.8%	-7.3%	-2.7%	1.5%	-4.1%
FY 2010	-7.6%	-7.3%	-0.3%	1.9%	-2.2%
FY 2011	1.9%	-0.6%	2.5%	6.5%	-3.8%
FY 2012	0.8%	0.5%	0.3%	3.0%	-2.6%
FY 2013	2.2%	1.3%	0.9%	2.6%	-1.7%

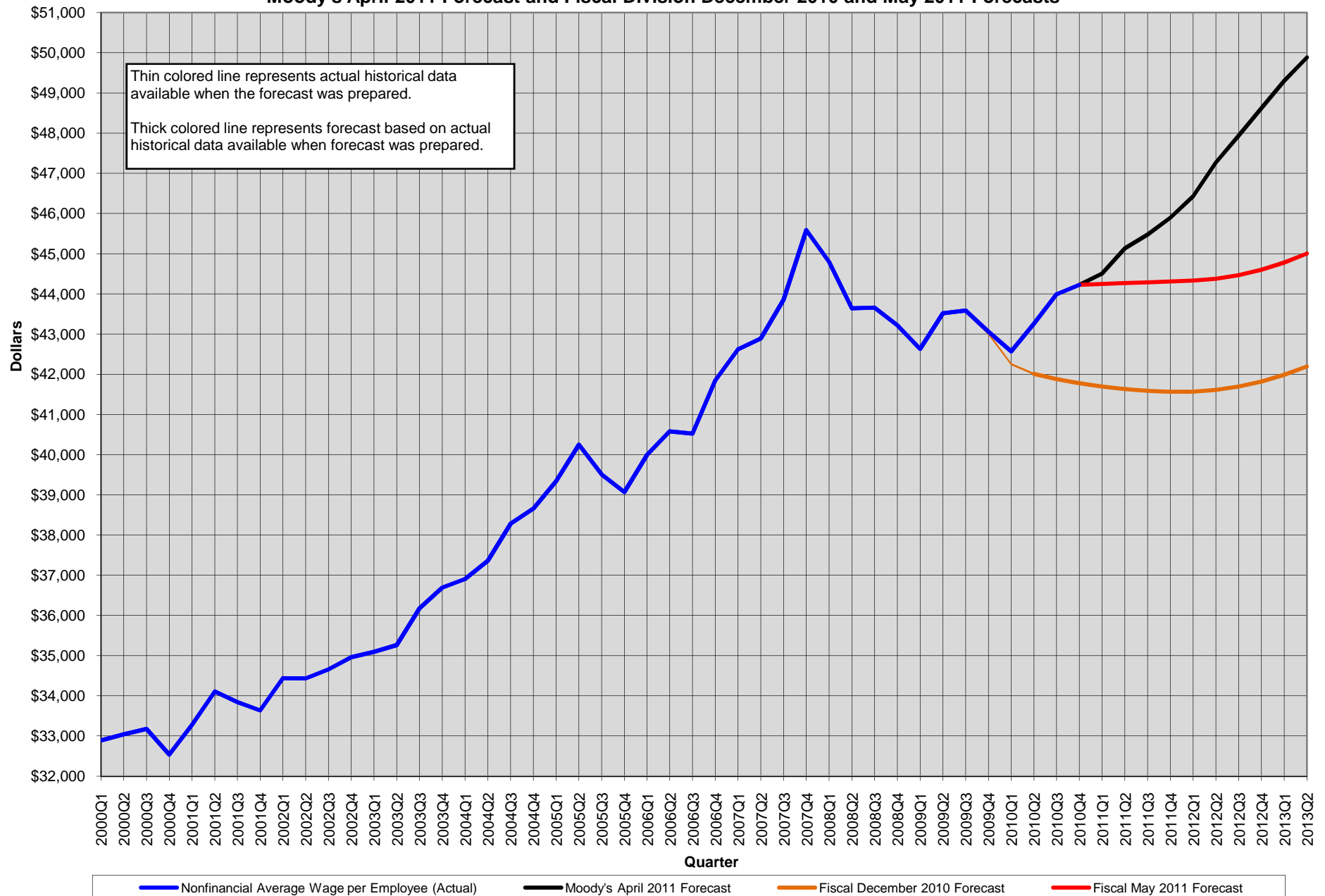
MBT CHART 1A - LEVELS
Comparison of Actual Historical Data and Forecasts for
Nevada Nonfinancial Industry Employment (Seasonally Adjusted Quarterly Rates)
Moody's April 2011 Forecast and Fiscal Division December 2010 and May 2011 Forecasts



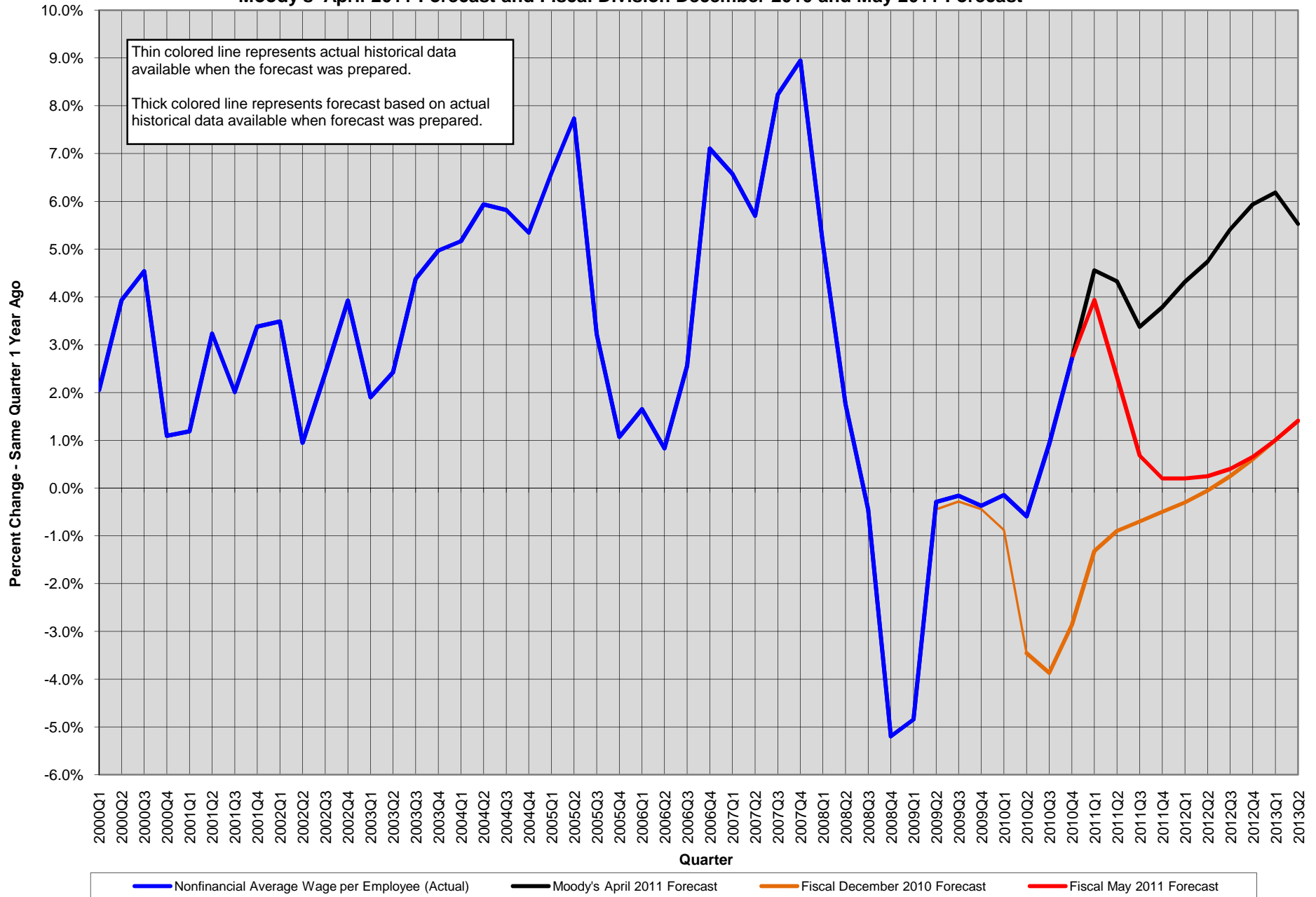
MBT CHART 1B - GROWTH RATES
Comparison of Actual Historical Data and Forecasts for
Nevada Nonfinancial Industry Employment (Seasonally Adjusted Quarterly Rates)
Moody's April 2011 Forecast and Fiscal Division December 2010 and May 2011 Forecasts



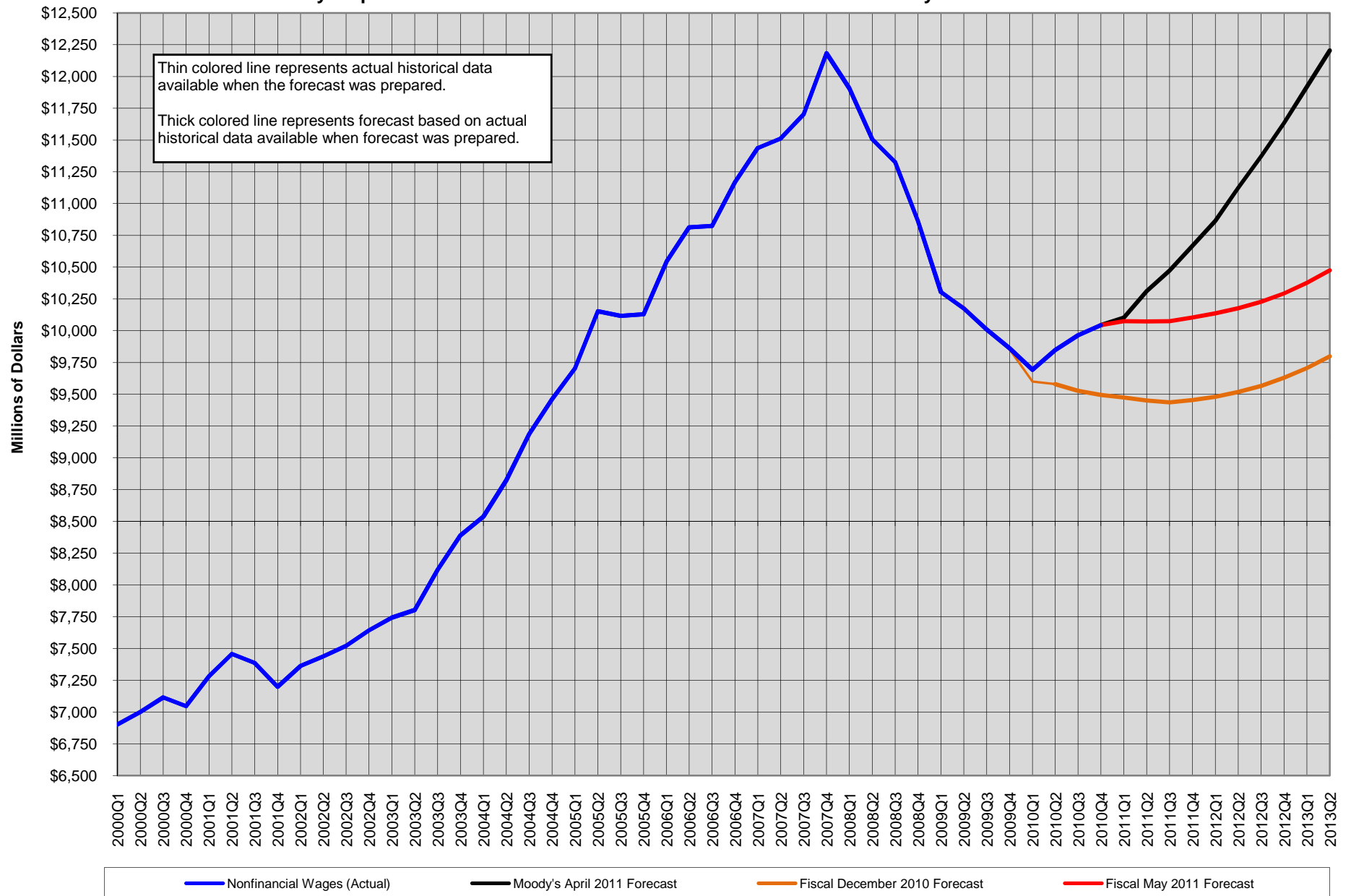
MBT CHART 2A - LEVELS
Comparison of Actual Historical Data and Forecasts
for Nevada Nonfinancial Industry Average Wage Per Employee:
Moody's April 2011 Forecast and Fiscal Division December 2010 and May 2011 Forecasts



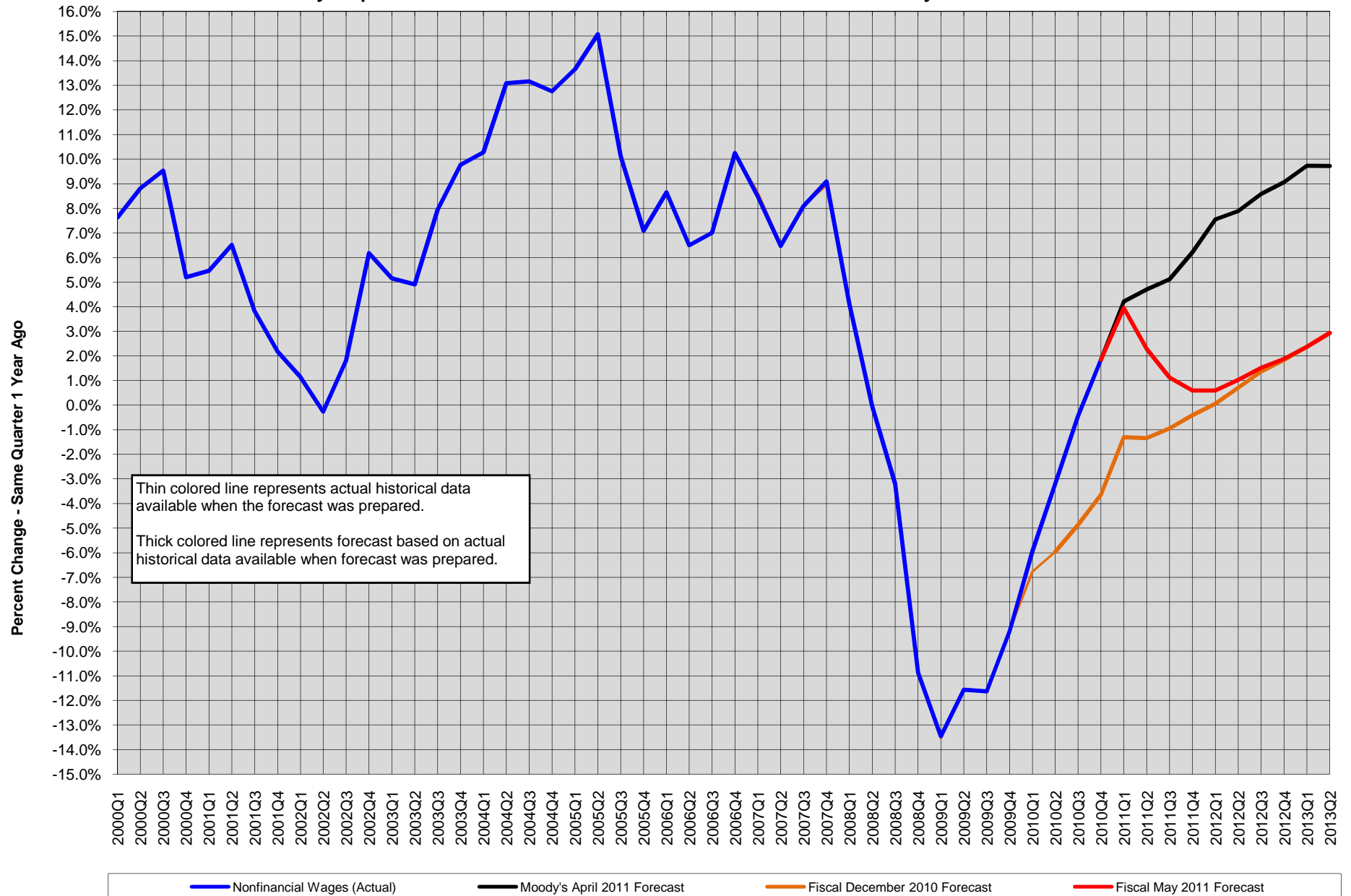
MBT CHART 2B - GROWTH RATES
Comparison of Actual Historical Data and Forecasts
for Nevada Nonfinancial Industry Average Wage Per Employee:
Moody's April 2011 Forecast and Fiscal Division December 2010 and May 2011 Forecast



MBT CHART 3A - LEVELS
Comparison of Actual Historical Data and Forecasts for
Nevada Nonfinancial Industry Wages (Seasonally Adjusted Quarterly Rates)
Moody's April 2011 Forecast and Fiscal Division December 2010 and May 2011 Forecasts



MBT CHART 3B - GROWTH RATES
Comparison of Actual Historical Data and Forecasts for
Nevada Nonfinancial Industry Wages (Seasonally Adjusted Quarterly Rates)
Moody's April 2011 Forecast and Fiscal Division December 2010 and May 2011 Forecasts



MODIFIED BUSINESS TAX - FINANCIAL INSTITUTIONS (MBT-FI)

Actual MBT-FI Data on Wages, Health Care Deductions, and Tax Collections Reported by the Department of Taxation

Quarterly: 2003:4th Quarter to 2010:4th Quarter and Fiscal Year: FY 2004 - FY 2010

Amounts are Shown in Millions of Dollars

Fiscal Year	Quarter	Actual BEA & Moody's Wages: Financial Activities	Percent Change: Same Quarter Year Ago	Taxation's Actual Reported MBT-FI Wages	Percent Change: Same Quarter Year Ago	Taxation's Actual Reported Wages as a Percent of BEA Wages	Taxation's Actual Reported MBT-FI Health Deductions	Percent Change: Same Quarter Year Ago	Taxation's Reported Health Deductions as a Percent of Wages	Taxation's Actual Reported MBT-FI Wages less Health Care Deductions	Percent Change: Same Quarter Year Ago	Taxation's Actual Reported MBT-FI Tax Collections	Percent Change: Same Quarter Year Ago	Average Effective Tax Rate
FY 2004	2003Q3													
FY 2004	2003Q4	\$674.3		\$257.7		38.2%	\$11.0		4.3%	\$246.7		\$4.5		
FY 2004	2004Q1	\$670.3		\$312.3		46.6%	\$15.1		4.8%	\$297.2		\$5.7		
FY 2004	2004Q2	\$707.5		\$280.7		39.7%	\$15.5		5.5%	\$265.2		\$5.2		
FY 2005	2004Q3	\$706.3		\$209.6		29.7%	\$12.2		5.8%	\$197.5		\$3.9		
FY 2005	2004Q4	\$745.8	10.6%	\$270.1	4.8%	36.2%	\$11.1	0.7%	4.1%	\$259.0	5.0%	\$5.2	14.7%	1.99%
FY 2005	2005Q1	\$766.5	14.4%	\$333.3	6.7%	43.5%	\$13.9	-8.2%	4.2%	\$319.4	7.5%	\$6.6	15.2%	2.07%
FY 2005	2005Q2	\$783.8	10.8%	\$308.8	10.0%	39.4%	\$16.5	6.1%	5.3%	\$292.3	10.2%	\$5.9	12.5%	2.02%
FY 2006	2005Q3	\$799.3	13.2%	\$267.9	27.8%	33.5%	\$20.1	64.9%	7.5%	\$247.8	25.5%	\$5.3	35.2%	2.12%
FY 2006	2005Q4	\$814.3	9.2%	\$339.5	25.7%	41.7%	\$12.8	15.2%	3.8%	\$326.7	26.1%	\$5.9	14.6%	1.81%
FY 2006	2006Q1	\$824.5	7.6%	\$389.4	16.8%	47.2%	\$25.2	81.7%	6.5%	\$364.2	14.0%	\$6.5	-1.3%	1.79%
FY 2006	2006Q2	\$830.5	6.0%	\$234.4	-24.1%	28.2%	\$13.9	-16.0%	5.9%	\$220.5	-24.6%	\$4.8	-19.0%	2.17%
FY 2007	2006Q3	\$830.5	3.9%	\$294.1	9.8%	35.4%	\$16.4	-18.2%	5.6%	\$277.7	12.1%	\$5.4	3.3%	1.96%
FY 2007	2006Q4	\$840.5	3.2%	\$235.4	-30.7%	28.0%	\$8.0	-37.5%	3.4%	\$227.4	-30.4%	\$5.2	-12.7%	2.27%
FY 2007	2007Q1	\$843.8	2.3%	\$293.4	-24.7%	34.8%	\$11.3	-55.3%	3.8%	\$282.1	-22.5%	\$5.6	-13.9%	1.99%
FY 2007	2007Q2	\$847.0	2.0%	\$290.0	23.8%	34.2%	\$16.3	17.6%	5.6%	\$273.7	24.1%	\$5.3	10.8%	1.94%
FY 2008	2007Q3	\$823.0	-0.9%	\$263.6	-10.4%	32.0%	\$18.2	11.1%	6.9%	\$245.4	-11.6%	\$4.8	-11.9%	1.95%
FY 2008	2007Q4	\$795.0	-5.4%	\$237.5	0.9%	29.9%	\$13.7	71.3%	5.8%	\$223.8	-1.6%	\$4.5	-13.1%	2.01%
FY 2008	2008Q1	\$822.3	-2.5%	\$332.7	13.4%	40.5%	\$31.5	179.2%	9.5%	\$301.2	6.8%	\$5.8	2.7%	1.91%
FY 2008	2008Q2	\$786.3	-7.2%	\$311.7	7.5%	39.6%	\$17.2	5.5%	5.5%	\$294.5	7.6%	\$5.6	6.6%	1.92%
FY 2009	2008Q3	\$769.3	-6.5%	\$288.2	9.3%	37.5%	\$18.0	-1.6%	6.2%	\$270.3	10.2%	\$5.2	9.5%	1.94%
FY 2009	2008Q4	\$745.8	-6.2%	\$285.3	20.1%	38.3%	\$21.3	55.5%	7.5%	\$264.0	18.0%	\$5.2	15.8%	1.97%
FY 2009	2009Q1	\$714.0	-13.2%	\$299.6	-9.9%	42.0%	\$21.1	-32.8%	7.1%	\$278.5	-7.6%	\$5.4	44.9%	3.00%
FY 2009	2009Q2	\$711.8	-9.5%	\$249.6	-19.9%	35.1%	\$19.4	13.0%	7.8%	\$230.2	-21.8%	\$5.6	-1.0%	2.43%
FY 2010	2009Q3	\$687.0	-10.7%	\$260.1	-9.8%	37.9%	\$17.9	-0.5%	6.9%	\$242.3	-10.4%	\$5.2	-1.1%	2.14%
FY 2010	2009Q4	\$678.8	-9.0%	\$275.2	-3.6%	40.5%	\$17.8	-16.4%	6.5%	\$257.4	-2.5%	\$6.0	14.7%	2.32%
FY 2010	2010Q1	\$670.3	-6.1%	\$291.2	-2.8%	43.4%	\$16.7	-21.0%	5.7%	\$274.5	-1.4%	\$5.9	-29.2%	2.16%
FY 2010	2010Q2	\$660.8	-7.2%	\$239.1	-4.2%	36.2%	\$16.5	-15.1%	6.9%	\$222.7	-3.3%	\$4.6	-17.3%	2.08%
FY 2011	2010Q3	\$668.0	-2.8%	\$253.1	-2.7%	37.9%	\$16.6	-7.1%	6.6%	\$236.5	-2.4%	\$5.1	-1.5%	2.16%
FY 2011	2010Q4	\$661.5	-2.5%	\$265.9	-3.4%	40.2%	\$17.4	-2.3%	6.5%	\$248.5	-3.4%	\$5.0	-15.8%	2.02%
FY 2004		\$2,052.1		\$850.7		41.5%	\$41.7		4.9%	\$809.0		\$15.5		
FY 2005		\$3,002.4	46.3%	\$1,121.8	31.9%	37.4%	\$53.6	28.7%	4.8%	\$1,068.2	32.0%	\$21.6	39.3%	2.02%
FY 2006		\$3,268.6	8.9%	\$1,231.1	9.7%	37.7%	\$71.9	34.1%	5.8%	\$1,159.2	8.5%	\$22.5	4.2%	1.94%
FY 2007		\$3,361.8	2.9%	\$1,112.9	-9.6%	33.1%	\$52.0	-27.7%	4.7%	\$1,060.9	-8.5%	\$21.5	-4.3%	2.03%
FY 2008		\$3,226.6	-4.0%	\$1,145.5	2.9%	35.5%	\$80.6	55.0%	7.0%	\$1,064.9	0.4%	\$20.7	-3.8%	1.94%
FY 2009		\$2,940.9	-8.9%	\$1,122.8	-2.0%	38.2%	\$79.8	-1.0%	7.1%	\$1,042.9	-2.1%	\$24.4	17.9%	2.34%
FY 2010		\$2,696.9	-8.3%	\$1,065.6	-5.1%	39.5%	\$68.9	-13.8%	6.5%	\$996.8	-4.4%	\$21.7	-11.1%	2.18%

NOTE:

The wages data displayed in the column labeled "Actual BEA & Global Insight Wages: Financial Activities" is equal to the aggregate total of NAICS 52 - Finance & Insurance and NAICS 53 - Real Estate & Rental and Leasing based on information reported by the Bureau of Economic Analysis (BEA). This is the financial activity series included in the personal income and wage sector of the Nevada economic model developed by Moody's.

The Modified Business Tax on Financial Institutions became effective October 1, 2003 as approved in Senate Bill 8 from the 20th Special Session (2003). Thus, the growth rate shown for FY 2005 is based on four quarters of taxable activity and collections for FY 2005 compared to only 3 quarters for FY 2004.

Table 3
MODIFIED BUSINESS TAX FOR FINANCIAL INSTITUTIONS (MBT-FI)
TAXABLE WAGES, COLLECTIONS AND EFFECTIVE TAX RATE BY QUARTER AND FISCAL YEAR

Actual: FY 2009-First Quarter through FY 2011-Second Quarter
Forecast: FY 2011-Third Quarter through FY 2013-Fourth Quarter
Amounts Shown in Millions of Dollars

Fiscal Year	Fiscal Quarter	Fiscal Quarter Months	With Amnesty					Without Amnesty				
			Financial Taxable Wages Actual and Forecast	% Change Year Ago	Financial Collections Actual and Forecast	% Change Year Ago	Average Effective Tax Rate	Financial Taxable Wages Actual and Forecast	% Change Year Ago	Financial Collections Actual and Forecast	% Change Year Ago	Average Effective Tax Rate
FY 2009	First	Jul-Sep	\$270.3	10.2%	\$5.2	9.5%	1.942%	\$262.9	7.1%	\$5.1	6.4%	1.940%
FY 2009	Second	Oct-Dec	\$264.0	18.0%	\$5.2	15.8%	1.970%	\$264.0	18.0%	\$5.2	15.8%	1.970%
FY 2009	Third	Jan-Mar	\$278.5	-7.6%	\$8.4	44.9%	3.001%	\$278.5	-7.6%	\$8.4	44.9%	3.001%
FY 2009	Fourth	Apr-Jun	\$230.2	-21.8%	\$5.6	-1.0%	2.428%	\$230.2	-21.8%	\$5.6	-1.0%	2.428%
FY 2010	First	Jul-Sep	\$242.3	-10.4%	\$5.2	-1.1%	2.143%	\$242.3	-7.8%	\$5.2	1.8%	2.143%
FY 2010	Second	Oct-Dec	\$257.4	-2.5%	\$6.0	14.7%	2.318%	\$257.4	-2.5%	\$6.0	14.7%	2.318%
FY 2010	Third	Jan-Mar	\$274.5	-1.4%	\$5.9	-29.2%	2.155%	\$274.5	-1.4%	\$5.9	-29.2%	2.155%
FY 2010	Fourth	Apr-Jun	\$222.7	-3.3%	\$4.6	-17.3%	2.077%	\$220.6	-4.2%	\$4.6	-18.0%	2.078%
FY 2011	First	Jul-Sep	\$236.5	-2.4%	\$5.1	-1.5%	2.163%	\$219.3	-9.5%	\$4.8	-8.1%	2.176%
FY 2011	Second	Oct-Dec	\$248.5	-3.4%	\$5.0	-15.8%	2.022%	\$248.5	-3.4%	\$5.0	-15.8%	2.022%
FY 2011	Third	Jan-Mar	\$270.9	-1.3%	\$5.4	-8.4%	2.000%	\$270.9	-1.3%	\$5.4	-8.4%	2.000%
FY 2011	Fourth	Apr-Jun	\$220.2	-1.1%	\$4.4	-4.7%	2.000%	\$220.2	-0.2%	\$4.4	-3.9%	2.000%
FY 2012	First	Jul-Sep	\$216.8	-8.4%	\$4.3	-15.3%	2.000%	\$216.8	-1.1%	\$4.3	-9.1%	2.000%
FY 2012	Second	Oct-Dec	\$248.6	0.0%	\$5.0	-1.0%	2.000%	\$248.6	0.0%	\$5.0	-1.0%	2.000%
FY 2012	Third	Jan-Mar	\$272.0	0.4%	\$5.4	0.4%	2.000%	\$272.0	0.4%	\$5.4	0.4%	2.000%
FY 2012	Fourth	Apr-Jun	\$222.8	1.2%	\$4.5	1.2%	2.000%	\$222.8	1.2%	\$4.5	1.2%	2.000%
FY 2013	First	Jul-Sep	\$221.2	2.1%	\$4.4	2.1%	2.000%	\$221.2	2.1%	\$4.4	2.1%	2.000%
FY 2013	Second	Oct-Dec	\$256.4	3.1%	\$5.1	3.1%	2.000%	\$256.4	3.1%	\$5.1	3.1%	2.000%
FY 2013	Third	Jan-Mar	\$283.9	4.4%	\$5.7	4.4%	2.000%	\$283.9	4.4%	\$5.7	4.4%	2.000%
FY 2013	Fourth	Apr-Jun	\$235.1	5.5%	\$4.7	5.5%	2.000%	\$235.1	5.5%	\$4.7	5.5%	2.000%
FY 2004			\$809.0		\$15.5		1.914%	\$809.0		\$15.5		1.914%
FY 2005			\$1,068.2	32.0%	\$21.6	39.3%	2.020%	\$1,068.2	32.0%	\$21.6	39.3%	2.020%
FY 2006			\$1,159.2	8.5%	\$22.5	4.2%	1.940%	\$1,159.2	8.5%	\$22.5	4.2%	1.940%
FY 2007			\$1,060.9	-8.5%	\$21.5	-4.3%	2.028%	\$1,060.9	-8.5%	\$21.5	-4.3%	2.028%
FY 2008			\$1,064.9	0.4%	\$20.7	-3.8%	1.944%	\$1,064.9	0.4%	\$20.7	-3.8%	1.944%
FY 2009			\$1,042.9	-2.1%	\$24.4	17.9%	2.339%	\$1,035.5	-2.8%	\$24.2	17.2%	2.342%
FY 2010			\$996.8	-4.4%	\$21.7	-11.1%	2.177%	\$994.7	-3.9%	\$21.7	-10.7%	2.177%
FY 2011			\$976.2	-2.1%	\$20.0	-8.0%	2.045%	\$958.9	-3.6%	\$19.6	-9.4%	2.046%
FY 2012			\$960.2	-1.6%	\$19.2	-3.8%	2.000%	\$960.2	0.1%	\$19.2	-2.1%	2.000%
FY 2013			\$996.6	3.8%	\$19.9	3.8%	2.000%	\$996.6	3.8%	\$19.9	3.8%	2.000%

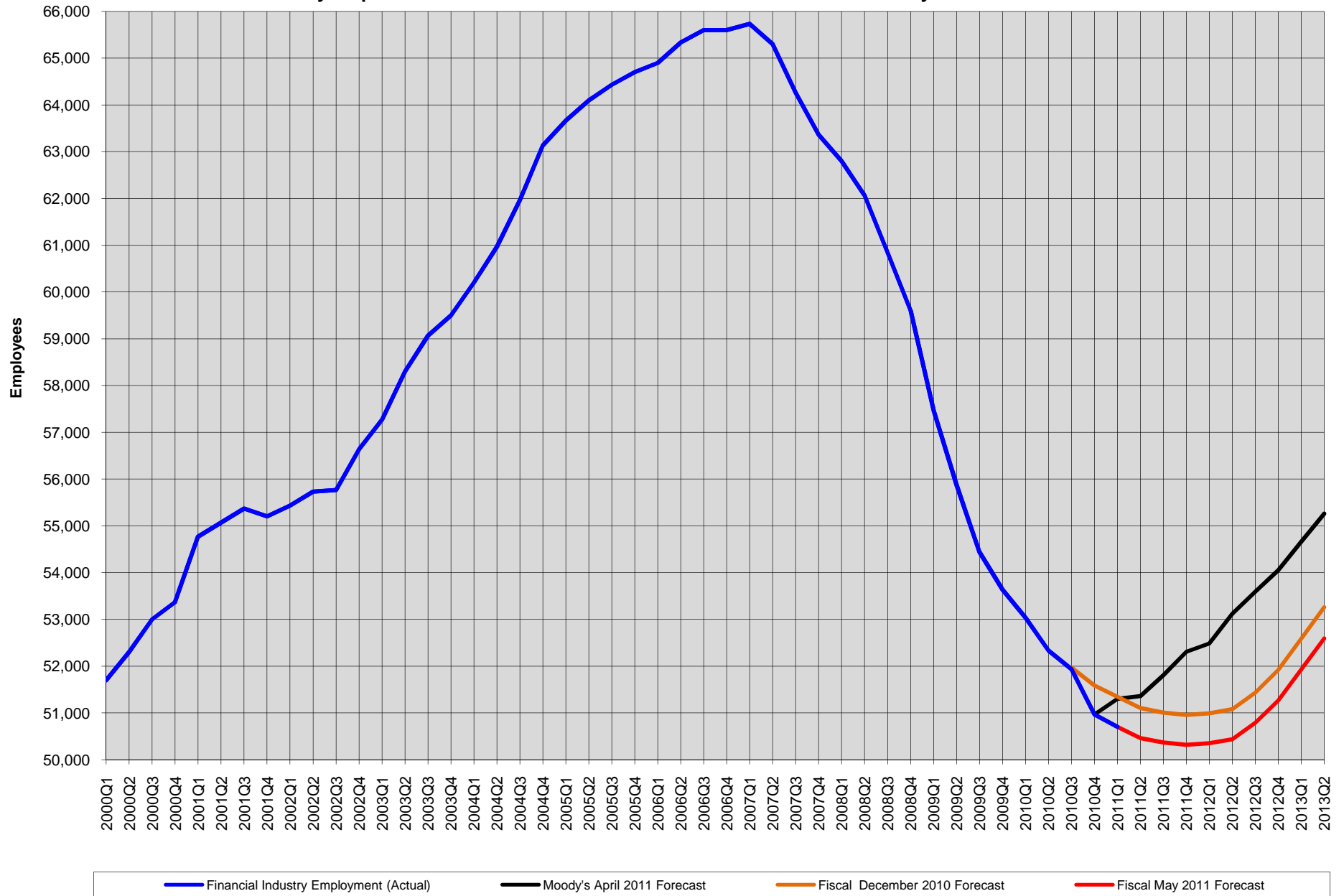
TABLE 3A
MODIFIED BUSINESS TAX - FINANCIAL INSTITUTIONS
ACTUAL AND FORECAST WAGES AND EMPLOYMENT
(Actual Through FY 2011Q2)

	Wage Disbursements, Financial (Million \$)	Employment, Financial (Thous.)	Average Annual Wage, Financial (Thous. \$)	Wage Inflation Index	Inflation Adjusted Annual Wage, Financial (Thous. \$)
FY 1991	\$747	32.2	\$23.2	0.78	\$29.9
FY 1992	\$838	33.4	\$25.1	0.80	\$31.2
FY 1993	\$916	34.6	\$26.4	0.83	\$31.9
FY 1994	\$1,039	37.8	\$27.5	0.85	\$32.4
FY 1995	\$1,103	39.9	\$27.6	0.87	\$31.6
FY 1996	\$1,278	43.0	\$29.7	0.90	\$33.1
FY 1997	\$1,435	45.7	\$31.4	0.92	\$34.0
FY 1998	\$1,604	48.0	\$33.4	0.94	\$35.6
FY 1999	\$1,803	50.6	\$35.6	0.96	\$37.3
FY 2000	\$1,966	51.7	\$38.1	0.98	\$38.7
FY 2001	\$2,202	54.1	\$40.7	1.02	\$40.1
FY 2002	\$2,278	55.4	\$41.1	1.03	\$39.7
FY 2003	\$2,479	57.0	\$43.5	1.06	\$41.1
FY 2004	\$2,722	59.9	\$45.4	1.08	\$42.0
FY 2005	\$3,003	63.2	\$47.5	1.11	\$42.6
FY 2006	\$3,269	64.8	\$50.4	1.16	\$43.6
FY 2007	\$3,362	65.6	\$51.3	1.19	\$43.2
FY 2008	\$3,227	63.1	\$51.1	1.23	\$41.6
FY 2009	\$2,941	58.4	\$50.3	1.25	\$40.4
FY 2010	\$2,697	53.4	\$50.5	1.25	\$40.4
FY 2011	\$2,651	51.0	\$52.0	1.28	\$40.6
FY 2012	\$2,654	50.4	\$52.7	1.31	\$40.3
FY 2013	\$2,754	51.6	\$53.3	1.34	\$39.8

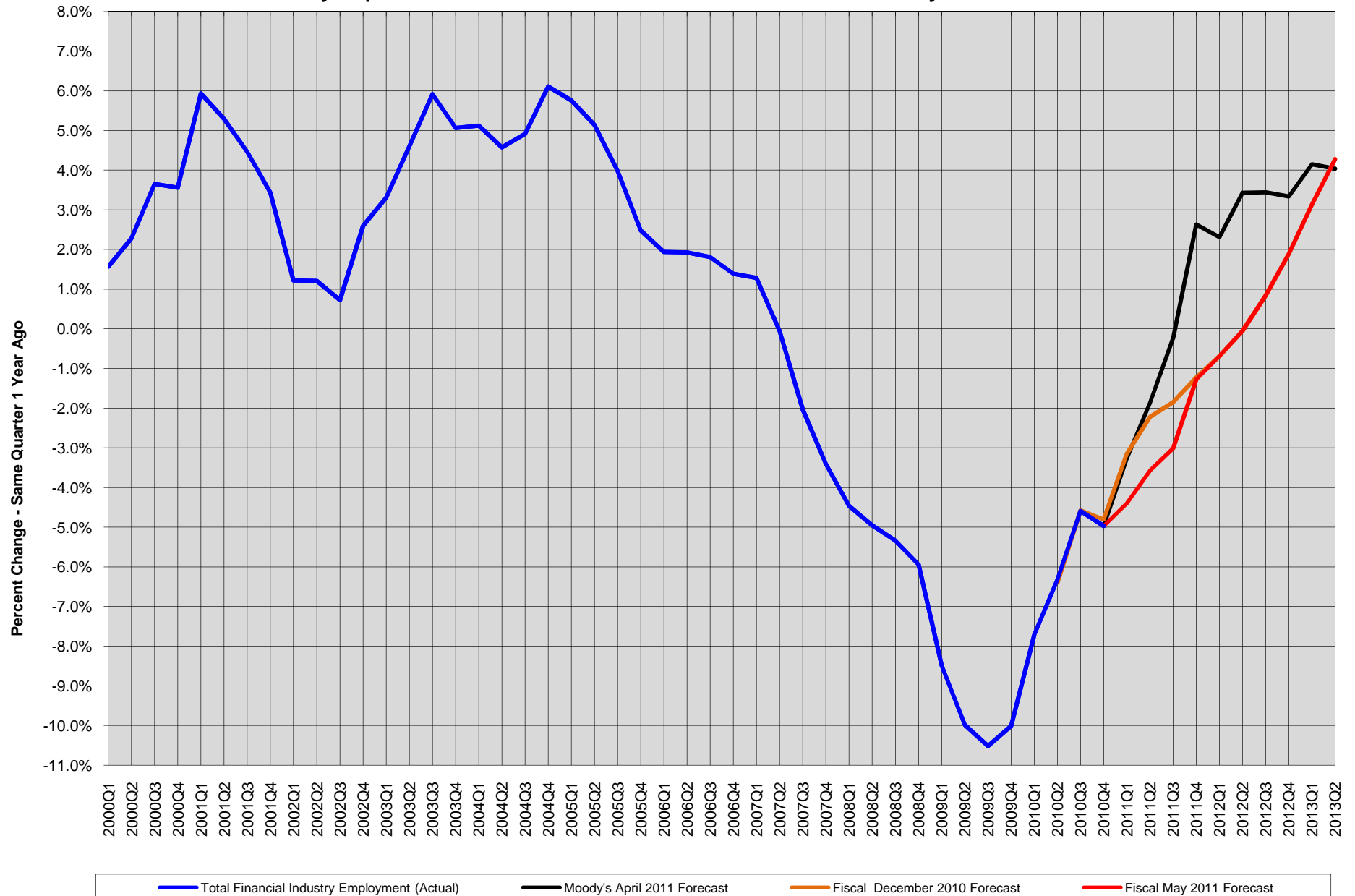
ANNUAL PERCENT CHANGE

FY 1991					
FY 1992	12.1%	4.0%	7.8%	3.2%	4.5%
FY 1993	9.3%	3.6%	5.5%	3.1%	2.3%
FY 1994	13.4%	9.0%	4.0%	2.6%	1.4%
FY 1995	6.2%	5.6%	0.5%	2.9%	-2.2%
FY 1996	15.9%	7.7%	7.6%	2.7%	4.7%
FY 1997	12.3%	6.3%	5.6%	2.8%	2.7%
FY 1998	11.8%	5.0%	6.5%	1.8%	4.6%
FY 1999	12.4%	5.4%	6.6%	1.7%	4.8%
FY 2000	9.1%	2.2%	6.8%	2.9%	3.8%
FY 2001	12.0%	4.6%	7.1%	3.4%	3.5%
FY 2002	3.5%	2.6%	0.9%	1.8%	-0.9%
FY 2003	8.8%	2.8%	5.8%	2.2%	3.5%
FY 2004	9.8%	5.2%	4.4%	2.2%	2.2%
FY 2005	10.3%	5.5%	4.6%	3.0%	1.5%
FY 2006	8.9%	2.6%	6.1%	3.8%	2.3%
FY 2007	2.8%	1.1%	1.7%	2.6%	-0.9%
FY 2008	-4.0%	-3.7%	-0.3%	3.6%	-3.8%
FY 2009	-8.9%	-7.4%	-1.6%	1.5%	-3.0%
FY 2010	-8.3%	-8.7%	0.4%	0.2%	0.2%
FY 2011	-1.7%	-4.4%	2.8%	2.4%	0.4%
FY 2012	0.1%	-1.3%	1.4%	2.1%	-0.7%
FY 2013	3.8%	2.5%	1.2%	2.5%	-1.3%

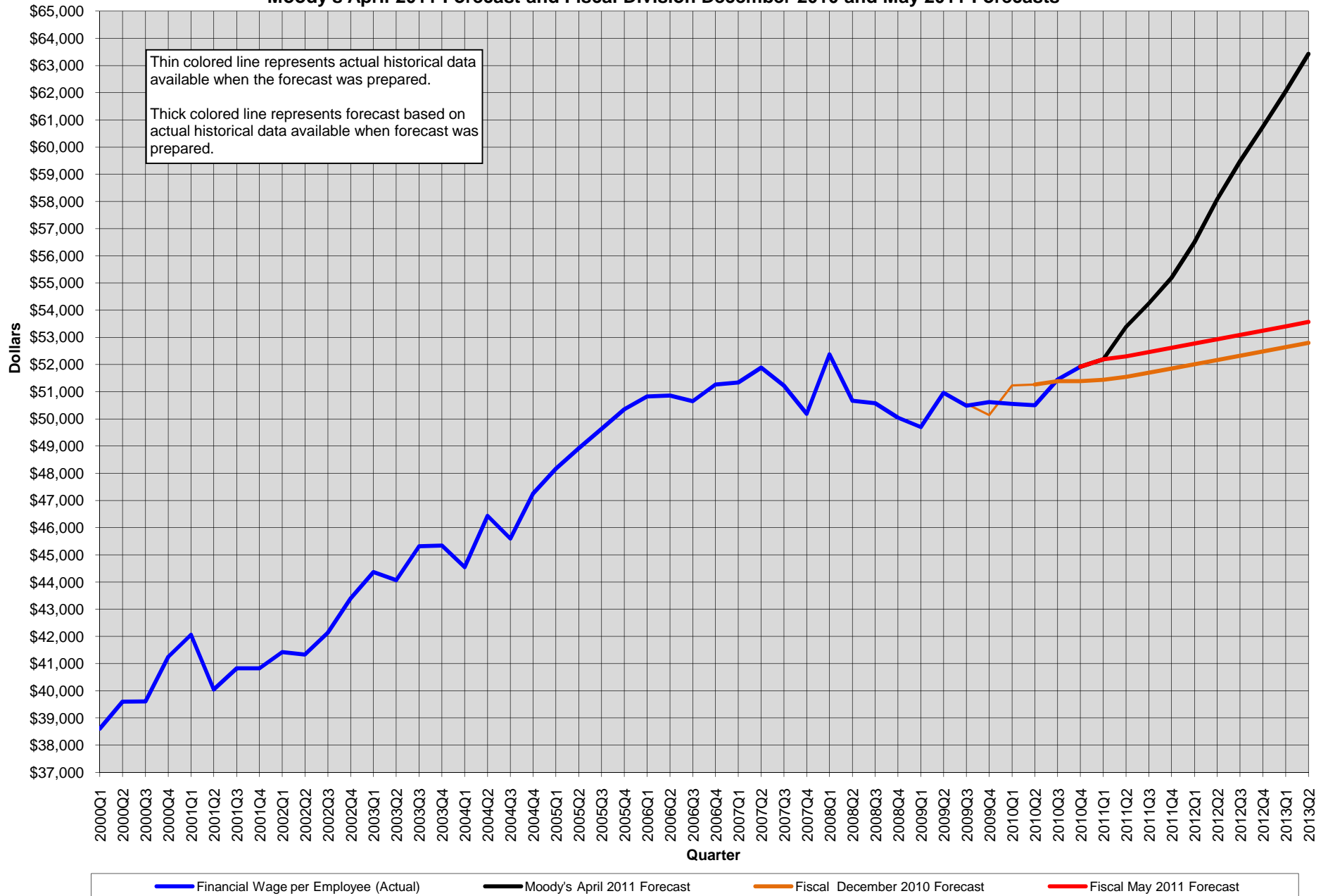
MBT CHART 4A - LEVELS
Comparison of Actual Historical Data and Forecasts for
Nevada Financial Industry Employment (Seasonally Adjusted Quarterly Rates)
Moody's April 2011 Forecast and Fiscal Division December 2010 and May 2011 Forecasts



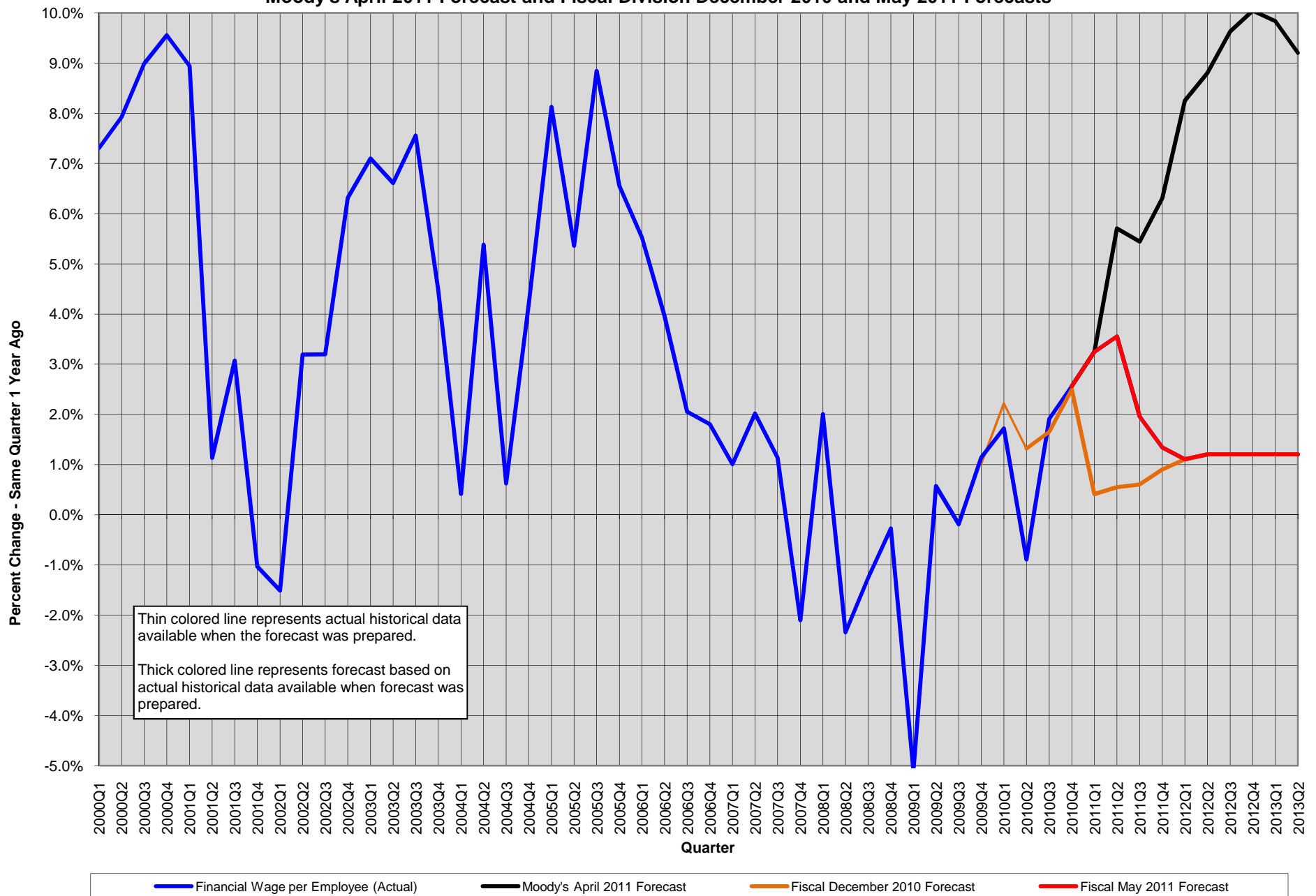
MBT CHART 4B - GROWTH RATES
Comparison of Actual Historical Data and Forecasts for
Nevada Financial Industry Employment (Seasonally Adjusted Quarterly Rates)
Moody's April 2011 Forecast and Fiscal Division December 2010 and May 2011 Forecasts



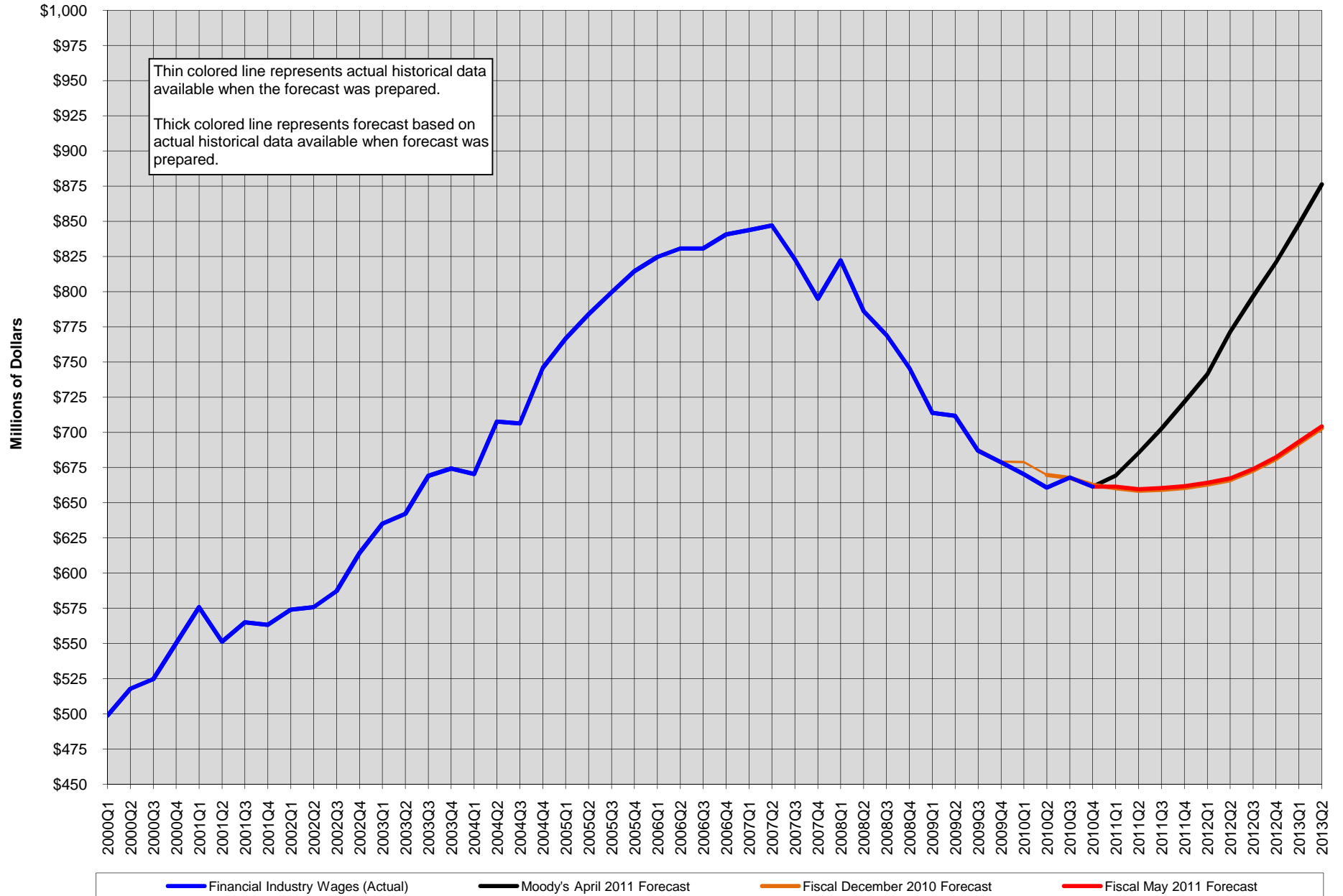
MBT CHART 5A - LEVELS
Comparison of Actual Historical Data and Forecasts
for Nevada Financial Industry Average Wage Per Employee:
Moody's April 2011 Forecast and Fiscal Division December 2010 and May 2011 Forecasts



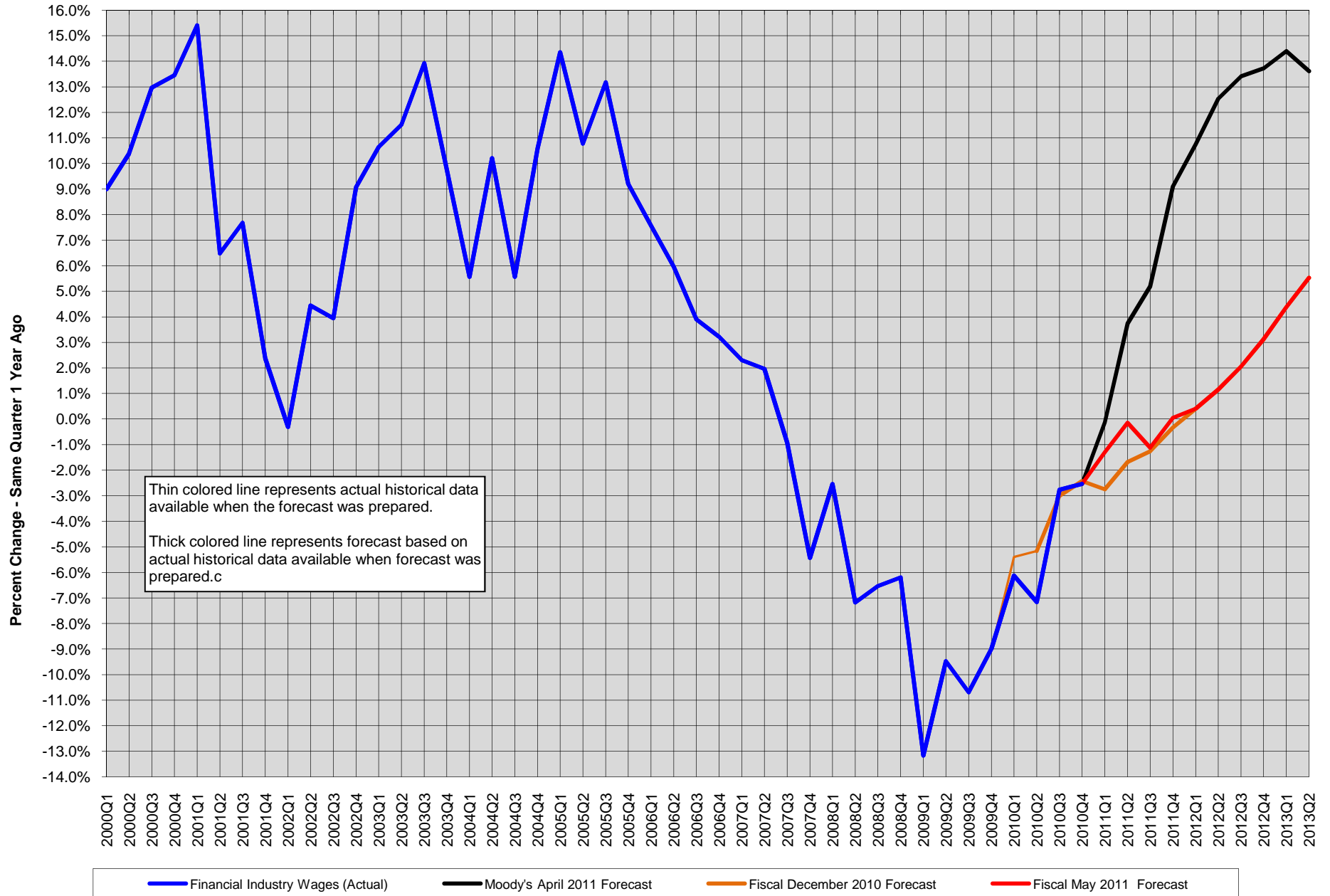
MBT CHART 5B - GROWTH RATES
Comparison of Actual Historical Data and Forecasts
for Nevada Financial Industry Average Wage Per Employee:
Moody's April 2011 Forecast and Fiscal Division December 2010 and May 2011 Forecasts



MBT CHART 6A - LEVELS
Comparison of Actual Historical Data and Forecasts for
Nevada Financial Industry Wages (Seasonally Adjusted Quarterly Rates)
Moody's April 2011 Forecast and Fiscal Division December 2010 and May 2011 Forecasts



MBT CHART 6B - GROWTH RATES
Comparison of Actual Historical Data and Forecasts for
Nevada Financial Industry Wages (Seasonally Adjusted Quarterly Rates)
Moody's April 2011 Forecast and Fiscal Division December 2010 and May 2011 Forecasts



REAL PROPERTY TRANSFER TAX FORECAST

prepared for: **Nevada Economic Forum**
by: **LCB—Fiscal Analysis Division**
date: **May 2, 2011**



The FY 2011, FY 2012 and FY 2013 Forecast

The Fiscal Analysis Division projects real property transfer tax collections to decrease by 3.2% to \$51.6 million in FY 2011, decrease by 0.2% to \$51.5 million in FY 2012, and increase by 5.1% to \$54.2 million in FY 2013.

General Background and Overview

- The state real property transfer tax was created by Senate Bill 8 (20th Special Session), effective October 1, 2003. The tax is \$1.30 per \$500 of value on the transfer of real property in the state.

A local real property transfer tax of 65 cents per \$500 of value already exists in statute and an additional 60 cents is imposed in Clark County, with the proceeds from this 60 cents going to the school district for capital projects. Additionally, local options allow counties to collect an additional 5 cents per \$500 for the Plant Industry Program, as well as an additional 10 cents per \$500 in Churchill and Washoe Counties under the Local Government Tax Act of 1991. Combined, the tax on the transfer of real property in Nevada is \$2.55 per \$500 of value in Clark County, \$2.05 in Churchill and Washoe Counties, and \$1.95 in all other counties of the state.

- The tax is collected by the county recorders and the state portion is remitted to the Department of Taxation on a quarterly basis. Each county may withhold 1.0% of the taxes from the state portion as reimbursement to the county for collecting and remitting the state portion.
- The only information reported by the counties to the Department of Taxation is the amount of revenue received each quarter. No detail is provided on the types of transfers generating the recorded revenue in terms of sales of residential property (either single family or multi family), transfers of commercial property, or transfers of land.

FY 2011 Year-to-Date Overview and Forecast

- By statute, the counties are to remit the tax to the state on a quarterly basis. For the first two quarters of FY 2011, actual real property transfer tax collections were \$25.4 million, which represents a 10.1% decrease compared to the first two quarters of FY 2010.
 - Clark County collections for this tax source were approximately \$19.3 million for the first two quarters of FY 2011. This amount represents a decrease of 15.8% compared to collections from the first two quarters of FY 2010. Clark County's collections represent approximately 76.1 percent of total collections for this revenue source for the first two quarters of FY 2011.
 - Washoe County collections for this tax source were approximately \$3.4 million for the first quarter of FY 2011. This amount represents an increase of 5.6% compared to collections from the first two quarters of FY 2010. Washoe County's collections represent approximately 13.2 percent of total collections for this revenue source for the first two quarters of FY 2011.
- Based on information received from the State Controller, actual real property tax collections for the third quarter of FY 2011 are \$12.7 million, which represents a 12.7% increase compared to third quarter collections in FY 2010.
 - According to the State Controller, Clark County's collections for this tax source were approximately \$10.0 million for the third quarter of FY 2011. This represents an increase of 11.0% compared to collections from the third quarter of FY 2010.
 - According to the State Controller, Washoe County's collections for this tax were approximately \$1.8 million for the third quarter of FY 2011. This represents an increase of 23.3% compared to collections from the third quarter of FY 2010.
- The Fiscal Analysis Division forecast of \$51.6 million for FY 2011 is approximately \$6.8 million higher than Fiscal's December 1, 2010, forecast. The revised forecast takes into account higher-than-expected collections during the second and third quarters of FY 2011, as well as increases in existing single-family home sales forecast by the Fiscal Analysis Division in the fourth quarter of FY 2011.

REAL PROPERTY TRANSFER TAX FORECASTS FOR FY 2011, FY 2012 and FY 2013 - May 2011 Forecast

Forecasts generated using Moody's April 2011 and Fiscal Analysis Division May 2011 housing forecasts.

Fiscal Year/ Quarter	Statewide Actual/ Forecast RPTT Collections (000s) ¹	% Change Year Ago	Existing Single Family Home Sales (000s) ²	% Change Year Ago	New Single-Family Home Completions (000s) ²	% Change Year Ago	Case-Schiller Home Price Index (Nevada) ³	% Change Year Ago
2003:3			18.84	28.8%	8.20	23.8%	132.22	13.3%
2003:4	24,773		21.15	27.9%	8.16	19.2%	141.24	17.1%
2004:1	26,002		23.48	44.6%	8.39	16.1%	156.62	27.6%
2004:2	37,250		23.01	33.1%	9.69	25.8%	179.66	42.7%
2004:3	37,174		23.13	22.8%	9.44	15.1%	197.47	49.3%
2004:4	35,769	44.4%	21.64	2.3%	10.47	28.2%	203.44	44.0%
2005:1	34,444	32.5%	21.32	-9.2%	9.18	9.5%	209.67	33.9%
2005:2	41,344	11.0%	22.50	-2.2%	9.28	-4.3%	216.05	20.3%
2005:3	45,305	21.9%	23.00	-0.6%	8.93	-5.3%	221.49	12.2%
2005:4	42,647	19.2%	22.15	2.4%	8.79	-16.0%	226.46	11.3%
2006:1	36,014	4.6%	19.16	-10.1%	9.65	5.0%	231.05	10.2%
2006:2	40,875	-1.1%	17.32	-23.0%	9.91	6.8%	230.03	6.5%
2006:3	32,687	-27.9%	14.27	-38.0%	9.16	2.6%	226.83	2.4%
2006:4	30,949	-27.4%	14.27	-35.6%	7.68	-12.6%	226.08	-0.2%
2007:1	27,576	-23.4%	13.32	-30.5%	6.03	-37.5%	224.45	-2.9%
2007:2	29,161	-28.7%	10.94	-36.8%	5.48	-44.7%	216.51	-5.9%
2007:3	26,706	-18.3%	9.14	-35.9%	5.44	-40.7%	204.83	-9.7%
2007:4	21,280	-31.2%	8.34	-41.6%	4.88	-36.5%	190.19	-15.9%
2008:1	17,712	-35.8%	10.24	-23.1%	3.77	-37.5%	167.91	-25.2%
2008:2	20,184	-30.8%	12.99	18.7%	3.24	-40.8%	156.65	-27.6%
2008:3	23,028	-13.8%	16.58	81.4%	3.07	-43.6%	143.44	-30.0%
2008:4	16,418	-22.8%	19.46	133.4%	2.81	-42.4%	130.32	-31.5%
2009:1	12,749	-28.0%	20.86	103.7%	1.96	-48.0%	117.11	-30.3%
2009:2	13,727	-32.0%	22.87	76.1%	1.70	-47.7%	108.08	-31.0%
2009:3	14,283	-38.0%	24.18	45.8%	1.58	-48.5%	104.81	-26.9%
2009:4	13,922	-15.2%	27.57	41.7%	1.71	-39.2%	103.96	-20.2%
2010:1	11,287	-11.5%	24.08	15.4%	1.53	-21.8%	104.08	-11.1%
2010:2	13,824	0.7%	21.14	-7.6%	1.84	8.7%	102.82	-4.9%
2010:3	12,585	-11.9%	19.87	-17.8%	1.47	-6.9%	100.43	-4.2%
2010:4	12,766	-8.3%	24.83	-9.9%	1.26	-26.1%	98.87	-4.9%
2011:1	12,716	12.7%	23.84	-1.0%	1.19	-22.4%	95.58	-8.2%
2011:2	13,547	-2.0%	22.04	4.3%	1.16	-36.8%	91.29	-11.2%
2011:3	13,413	6.6%	20.25	1.9%	1.18	-19.9%	88.26	-12.1%
2011:4	13,666	7.1%	20.64	-16.9%	1.19	-5.8%	86.85	-12.2%
2012:1	11,056	-13.1%	21.04	-11.7%	1.19	0.5%	85.20	-10.9%
2012:2	13,372	-1.3%	21.20	-3.8%	1.19	2.4%	84.09	-7.9%
2012:3	13,162	-1.9%	21.30	5.2%	1.20	1.5%	84.89	-3.8%
2012:4	13,957	2.1%	21.41	3.7%	1.23	3.0%	86.19	-0.8%
2013:1	11,880	7.5%	21.46	2.0%	1.29	7.9%	88.50	3.9%
2013:2	15,160	13.4%	21.52	1.5%	1.35	13.3%	91.00	8.2%
FY 2004	88,025		86.48	33.7%	34.44	21.3%	152.44	25.4%
FY 2005	148,731	69.0%	88.60	2.4%	38.37	11.4%	206.66	35.6%
FY 2006	164,842	10.8%	81.63	-7.9%	37.29	-2.8%	227.26	10.0%
FY 2007	120,372	-27.0%	52.80	-35.3%	28.35	-24.0%	223.47	-1.7%
FY 2008	85,883	-28.7%	40.71	-22.9%	17.33	-38.9%	179.89	-19.5%
FY 2009	65,922	-23.2%	79.78	96.0%	9.53	-45.0%	124.74	-30.7%
FY 2010	53,315	-19.1%	96.98	21.6%	6.67	-30.1%	103.92	-16.7%
FY 2011	51,613	-3.2%	90.58	-6.6%	5.09	-23.7%	96.54	-7.1%
FY 2012	51,507	-0.2%	83.13	-8.2%	4.76	-6.5%	86.10	-10.8%
FY 2013	54,160	5.1%	85.69	3.1%	5.06	6.4%	87.64	1.8%

¹ The state portion of the Real Property Transfer Tax (RPTT) was enacted pursuant to Senate Bill 8 of the 20th Special Session, effective October 1, 2003. Thus, actual collections of the \$1.30 General Fund portion of this tax are only available beginning in the third quarter of calendar year 2003 (the second quarter of FY 2003-2004.)

² Historical information comes from Moody's Analytics April 2011 housing forecasts for Nevada. Forecast information comes from the Fiscal Analysis Division's May 2011 housing forecasts for Nevada.

³ The Case-Schiller Index tracks changes in the value of existing residential real estate in Nevada, based on an index value of 100 at the first quarter of calendar year 2000 (the third quarter of FY 1999-2000).

CHART 1 - RPTT
Actual and Forecast General Fund Real Property Transfer Tax Collections
Actual & Imputed: 1998:3rd Quarter - 2011:1st Quarter Forecast: 2011:2nd Quarter - 2013:2nd Quarter

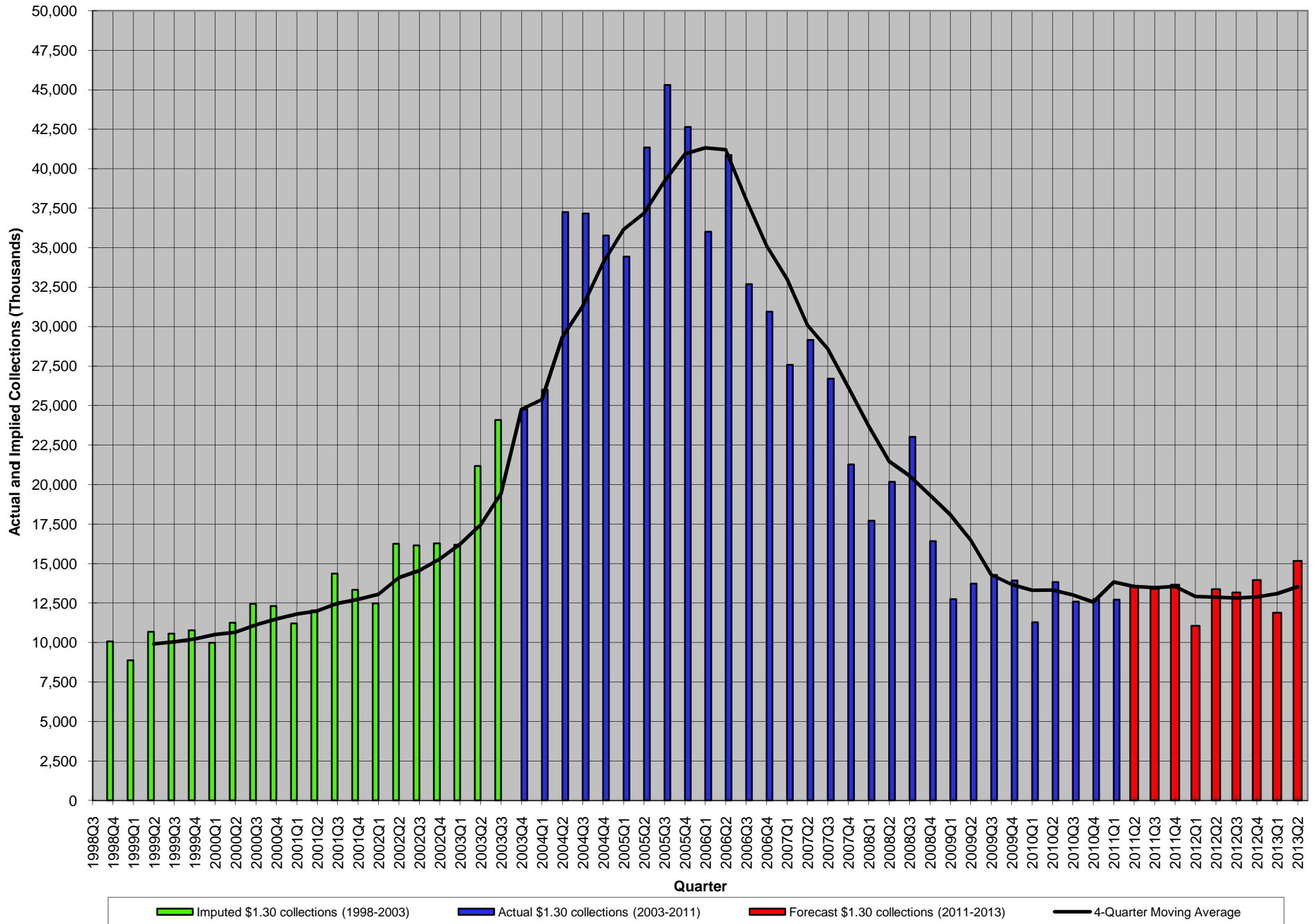
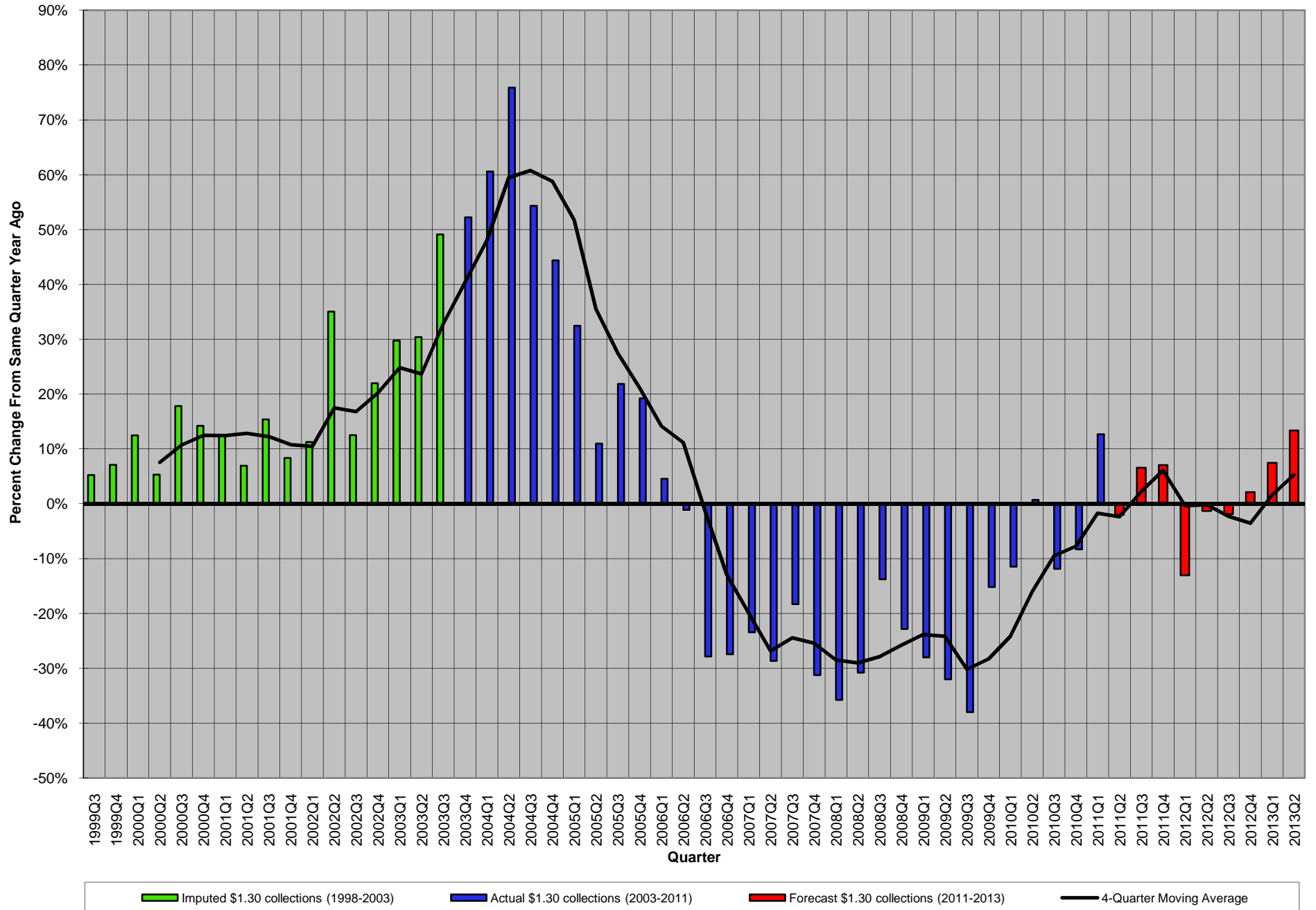


CHART 2 - RPTT
Real Property Transfer Tax General Fund Percentage Change in Collections From Same Quarter One Year Ago
Actual & Imputed: 1999:3rd Quarter - 2011:1st Quarter Forecast: 2011:2nd Quarter - 2013:2nd Quarter



STATE 3 PERCENT ROOM TAX

prepared for: **Nevada Economic Forum**
by: **LCB-Fiscal Analysis Division**
date: **May 2, 2011**



The FY 2011 Forecast

The Fiscal Analysis Division is projecting total State 3 Percent Room Tax collections at \$108.5 million in FY 2011, an 11.1% increase over FY 2010.

No forecast is required for FY 2012 and FY 2013 as revenue from the State 3 Percent Room Tax are not credited to the State General Fund. The provisions of Initiative Petition 1 require the proceeds from the State 3 Percent Room Tax to be deposited in the State Supplemental School Support Fund beginning in FY 2012.

Tax Overview

- During the 2009 Legislative Session, the Legislature approved Initiative Petition 1, which requires the board of county commissioners in any county whose population is 300,000 or more to enact an ordinance imposing a tax on the rental of transient lodging at a rate of up to 3%, effective July 1, 2009. Based on this population threshold, the tax approved pursuant to IP 1 may only be imposed in Clark and Washoe Counties.
- The rate that may be imposed pursuant to this tax is dependent upon the total room tax rate imposed in those counties as of July 31, 2008. If the total rate imposed is less than 10% as of July 31, 2008, the entire 3% rate may be imposed. If the total rate imposed as of July 31, 2008, exceeds 10%, the rate that must be imposed is the difference between 13% and the rate in effect as of that date. However, if the sum of the existing tax rates in any area as of July 31, 2008, is 13% or more, then no additional rate may be imposed.
- All proceeds of the tax collected between July 1, 2009, and June 30, 2011, (FY 2010 and FY 2011) must be credited to the State General Fund. Any proceeds collected from taxable activity occurring on or after July 1, 2011, must be credited to the State Supplemental School Support Fund for the operation of school districts and charter schools in Nevada.
- Based on the tax rates in effect in Clark and Washoe County on July 31, 2008, the additional tax rate imposed pursuant to IP 1 is as follows:
 - Clark County: 2% in the city of Las Vegas (Fremont Street area – facilities with 75 rooms or more); 3% in all other areas.
 - Washoe County: 1% in unincorporated Washoe County and Reno (excluding Downtown Reno). No additional tax may be imposed in the city of Sparks or in Downtown Reno, as the total rates in these areas exceeded 13% on July 31, 2008.

FY 2011 Year-to-Date and Forecast Information

Las Vegas Visitors

Las Vegas visitor volume was up 3.4% in the first quarter of FY 2011 compared to the first quarter of FY 2010, which was down 0.4%. Visitors increased by 3.5% in the second quarter of FY 2011, compared to the second quarter of FY 2010, which was up 2.8%.

In the first two months of the third quarter of FY 2011, visitor volume is up 4.8% compared to the same period a year ago (8.6% increase in January and 1.0% increase in February 2011).

Visitor volume is up 3.8% fiscal year-to-date through the first eight months of FY 2011 compared to the first eight months of FY 2010, which were up 1.3%.

Las Vegas visitors are projected to increase by 3.3% in FY 2011 and to reach this forecast, visitor volume must average 2.4% growth over the last four months of FY 2011 compared to 1.9% average growth over the last four months of FY 2010.

Las Vegas Average Occupancy Rate

In the first quarter of FY 2011, the average occupancy rate in the Las Vegas market was 82.7%, compared to 82.9% in the first quarter of FY 2010. In the second quarter of FY 2011, the average occupancy rate was 78.1%, compared to 77.4% in the second quarter of FY 2010.

The average occupancy rate was 79.0% in January 2011, compared to 71.1% in January 2010, and 80.6% in February 2011, compared to 79.7% in February 2010.

The average occupancy rate of 80.3% through the first eight months of FY 2011 is 1.3% above the average occupancy rate of 79.0% through the first eight months of FY 2010.

The occupancy rate is projected to average 81.7% in FY 2011, which implies that the occupancy rate must average 84.4% over the last four months of FY 2011, compared to an average of 82.8% over the last four months of FY 2010.

Las Vegas Room Nights Occupied

Room nights occupied in the Las Vegas market are up 4.4% in the first quarter of FY 2011, compared to a 1.3% decrease in the first quarter of FY 2010. Room nights occupied increased by 4.7% in the second quarter of FY 2011, compared to the 0.8% increase in the second quarter of FY 2010.

Room nights occupied increased by 12.0% in January 2011, compared to 3.6% increase in January 2010, and increased by only 1.6% in February 2011, compared to 0.0% increase in February 2010.

Room nights occupied have increased by 5.1% through the first eight months of FY 2011, compared to 0.2% increase in the first eight months of FY 2010.

Room nights occupied are estimated to increase by 4.3% in FY 2011, which requires room nights occupied to increase by an average of 2.9% over the last four months of FY 2011, compared to average growth of 2.2% over the last four months of FY 2010.

Las Vegas Average Daily Room Rate

The average daily room rate in the first quarter of FY 2011 was \$91.68, which is up 5.2% compared to the average daily room rate in the first quarter of FY 2010 of \$87.14. The average daily room rate in the second quarter of FY 2011 was \$96.27, which is up 2.0% compared to the average daily room rate of \$94.33 in the second quarter of FY 2010.

The average daily room rate of \$107.22 in January 2011 was up 7.5% compared to the average room rate of \$99.75 in January 2010. In February 2011, the average daily room rate was up 1.3% to \$98.49 compared to \$97.21 in February 2010.

Fiscal year-to-date through the first eight months, the average daily room rate of \$96.19 is 3.8% above the average daily room rate of \$92.67 over the first eight months of FY 2010.

The average daily room rate is forecast to average \$99.50 over the last four months of FY 2011, which is a 5.1% increase relative to the average rate of \$94.63 over the last four months of FY 2010.

The average daily room rate is forecast to average \$97.29 in FY 2011, which is a 4.3% increase over the average daily room rate of \$93.33 in FY 2010.

Clark County, Washoe County and State Total Collections for the State 3 Percent Room Tax

Room tax collections for Clark County, excluding Boulder City and Mesquite, from the State 3 Percent Room Tax are projected to increase by 11.3% in FY 2011 and are up approximately 15.0% in the first seven months of FY 2011, compared to the first seven months of FY 2010. To achieve the room tax forecast for FY 2011 of 11.3% growth, collections must average 9.7% growth over the remaining five months of FY 2011.

Room tax collections for Washoe County from the State 3 Percent Room Tax are projected to increase by 0.8% in FY 2011 and are up 1.4% in the first seven months of FY 2011, compared to the first seven months of FY 2010. Room tax collections in Washoe County are forecast to increase an average of 0.0% over the last five months of FY 2011 to obtain the projected 0.8% growth for FY 2011.

Total State 3 Percent Room Tax revenues are projected to increase by 11.1% in FY 2011 and are up approximately 12.5% through the first seven months of FY 2011, compared to the first seven months of FY 2010. Total State 3 Percent Room Tax revenues will need to increase by an average of 9.4% over the remaining five months of FY 2011 to obtain the projected 11.1% growth for FY 2011 in total room tax collections.

TABLE 1
ACTUAL ROOM TAX COLLECTIONS
FROM PROPOSED 3% ROOM TAX WITH 13% CAP FOR FY 2010

	FY 2010 Implied Tax Collections from 3% Tax based on Actual 3/8 of 1% Tax Collections	Percent of Implied Tax Collections	FY 2010 Actual Tax Collections from 3% Tax on Taxable Room Revenues with 13% Cap	Percent of Actual Tax Collections	Difference
Clark County	90,281,561	85.75%	89,217,948	91.34%	(1,063,614)
Boulder City	38,293	0.04%	37,097	0.04%	(1,197)
Henderson	1,955,602	1.86%	1,954,121	2.00%	(1,481)
Las Vegas	4,759,506	4.52%	4,167,465	4.27%	(592,042)
Mesquite	547,733	0.52%	547,733	0.56%	0
North Las Vegas	448,071	0.43%	448,070	0.46%	(0)
Total - Clark County	98,030,767	93.11%	96,372,433	98.67%	(1,658,333)
Washoe County	7,251,353	6.89%	1,299,300	1.33%	(5,952,054)
TOTAL	105,282,120	100.00%	97,671,733	100.00%	(7,610,387)
Sum of Clark County, Henderson, Las Vegas, and North Las Vegas	97,444,741		95,787,604		(1,657,137)

FORECAST OF ROOM TAX COLLECTIONS
FROM PROPOSED 3% ROOM TAX WITH 13% CAP FOR FY 2011

	FY 2011 Estimated Tax Collections from 3% Tax on All Taxable Room Revenues	Percent of Estimated Tax Collections	FY 2011 Estimated Tax Collections from 3% Tax on Taxable Room Revenues with 13% Cap	Percent of Estimated Tax Collections	Difference	Percent Change Year Ago
Clark County	100,673,000	87.48%	100,673,000	92.77%	-	12.8%
Boulder City	42,000	0.04%	42,000	0.04%	-	13.2%
Henderson	1,608,000	1.40%	1,608,000	1.48%	-	-17.7%
Las Vegas	4,503,000	3.91%	3,945,000	3.64%	(558,000)	-5.3%
Mesquite	512,000	0.44%	512,000	0.47%	-	-6.5%
North Las Vegas	429,000	0.37%	429,000	0.40%	-	-4.3%
Total - Clark County	107,767,000	93.64%	107,209,000	98.79%	(558,000)	11.2%
Washoe County	7,318,000	6.36%	1,310,000	1.21%	(6,008,000)	0.8%
TOTAL	115,085,000	100.00%	108,519,000	100.00%	(6,566,000)	11.1%
Sum of Clark County, Henderson, Las Vegas, and North Las Vegas	107,213,000		106,655,000		(558,000)	

NOTES:

1.) Only 2% additional room tax rate can be imposed in City of Las Vegas for facilities with 75 rooms or more as current total combined room tax rate is 11%. The tax revenue generated under the 13% cap rule is assumed to be 87.6% of the amount generated from the full 3% rate based on the average actual ratio from FY 2010.

2.) Only 1% additional room tax rate can be imposed in Washoe County (unincorporated area) and Reno (excluding Downtown Area) as current total combined room tax rate is 12%. No additional room tax rate can be imposed in Sparks and Reno Downtown as current total combined room tax rate is 13.5%. Based on actual information from FY 2010, the tax revenue generated under the 13% cap rule is assumed to be 17.9% of the amount generated from the full 3% rate.

TABLE 2
LAS VEGAS VISITOR FORECAST AND ROOM TAX FORECAST FOR FY 2011

Fiscal Year	Las Vegas Visitors ^{2,3}	% Change	Room Nights Occupied	% Change	Average Number of Rooms per Fiscal Year	% Change	Occupancy Percentage ^{4,5}	% Change	Average Daily Room Rate ^{6,7}	% Change	State 3/8 of 1% Room Tax Collections ¹	% Change	Room Tax Collections from Up to 3% Rate	% Change
FY 1990	19,333,843		20,778,939		66,601		85.54%							
FY 1991	21,096,460	9.1%	22,220,698	6.9%	74,757	12.2%	81.45%	-4.1%						
FY 1992	21,666,304	2.7%	22,992,069	3.5%	77,012	3.0%	81.62%	0.2%						
FY 1993	22,464,355	3.7%	23,741,783	3.3%	75,824	-1.5%	85.77%	4.2%						
FY 1994	26,297,358	17.1%	26,907,170	13.3%	82,887	9.3%	89.67%	3.9%						
FY 1995	28,581,702	8.7%	28,407,453	5.6%	88,318	6.6%	88.20%	-1.5%						
FY 1996	29,224,601	2.2%	29,602,041	4.2%	90,302	2.2%	89.56%	1.4%						
FY 1997	30,266,442	3.6%	31,742,616	7.2%	98,561	9.1%	88.64%	-0.9%						
FY 1998	30,250,609	-0.1%	32,712,622	3.1%	105,095	6.6%	85.31%	-3.3%						
FY 1999	32,049,240	5.9%	35,075,940	7.2%	110,332	5.0%	87.19%	1.9%						
FY 2000	35,176,393	9.8%	38,945,333	11.0%	120,170	8.9%	88.60%	1.4%						
FY 2001	36,068,291	2.5%	39,907,902	2.5%	123,793	3.0%	88.33%	-0.3%			\$10,539,658			
FY 2002	34,597,944	-4.1%	38,245,466	-4.2%	126,054	1.8%	83.11%	-5.2%	\$72.71		\$9,631,229	-8.6%		
FY 2003	35,013,938	1.2%	38,965,761	1.9%	127,183	0.9%	83.93%	0.8%	\$79.71		\$10,217,196	6.1%		
FY 2004	36,681,451	4.8%	41,124,045	5.5%	129,207	1.6%	86.98%	3.0%	\$86.50	8.5%	\$11,933,710	16.8%		
FY 2005	37,896,763	3.3%	42,944,779	4.4%	130,803	1.2%	89.15%	2.2%	\$95.81	10.8%	\$13,900,419	16.5%		
FY 2006	38,649,698	2.0%	43,299,496	0.8%	132,869	1.6%	89.18%	0.0%	\$111.90	16.8%	\$15,465,542	11.3%		
FY 2007	39,151,880	1.3%	43,741,037	1.0%	133,101	0.2%	90.03%	0.8%	\$127.85	14.2%	\$16,701,022	8.0%		
FY 2008	39,100,988	-0.1%	43,970,929	0.5%	134,639	1.2%	89.38%	-0.7%	\$127.63	-0.2%	\$17,023,872	1.9%		
FY 2009	36,148,453	-7.6%	42,047,684	-4.4%	139,439	3.6%	82.70%	-6.7%	\$101.61	-20.4%	\$13,240,739	-22.2%		
FY 2010	36,701,986	1.5%	42,419,119	0.9%	145,740	4.5%	80.25%	-2.4%	\$93.33	-8.2%	\$12,251,122	-7.5%	\$95,787,604	
FY 2011	37,921,000	3.3%	44,248,000	4.3%	148,602	2.0%	81.65%	1.4%	\$97.29	4.3%	\$13,402,000	9.4%	\$106,655,000	11.3%

NOTES:

¹ The room tax collection numbers reported for the State 3/8 of 1% Room Tax Collections column represent collections for Clark County (Business License Division), Henderson, Las Vegas, and North Las Vegas. The Clark County collection numbers include Laughlin.

² Las Vegas Visitor volume has increased by 4.7% in July 2010; 3.5% in August 2010; and is up 4.1% for July and August 2010 combined compared to July and August 2009.

³ Las Vegas Visitor Volume has to increase by an average of 1.8% over the remaining ten months of FY 2011 to achieve the forecast growth of 2.2%. The required average growth on 1.8% is compared to an average of 2.4% over the last ten months of FY 2010.

⁴ The average occupancy rate for July and August 2010 of FY 2011 combined is 83.0%, compared to 82.8% for July and August 2009 combined of FY 2010.

⁵ Over the last ten months of FY 2011, the occupancy rate is estimated to average 79.4% compared to an average of 79.7% over the last ten months of FY 2009.

⁶ The average daily room rate has averaged \$88.89 over July and August 2010 of FY 2011, compared to an average of \$85.13 over July and August 2009 of FY 2010.

⁷ The average daily room rate is projected to average \$95.88 over the remaining ten months of FY 2011. This is compared to an actual average daily room rate over the last ten months of FY 2010 of \$94.97.

CHART 1 - ROOM TAX Las Vegas Occupancy Rate

Actual: 1999:1st Quarter - 2010:4th Quarter Forecast: 2011:1st Quarter - 2011:2nd Quarter

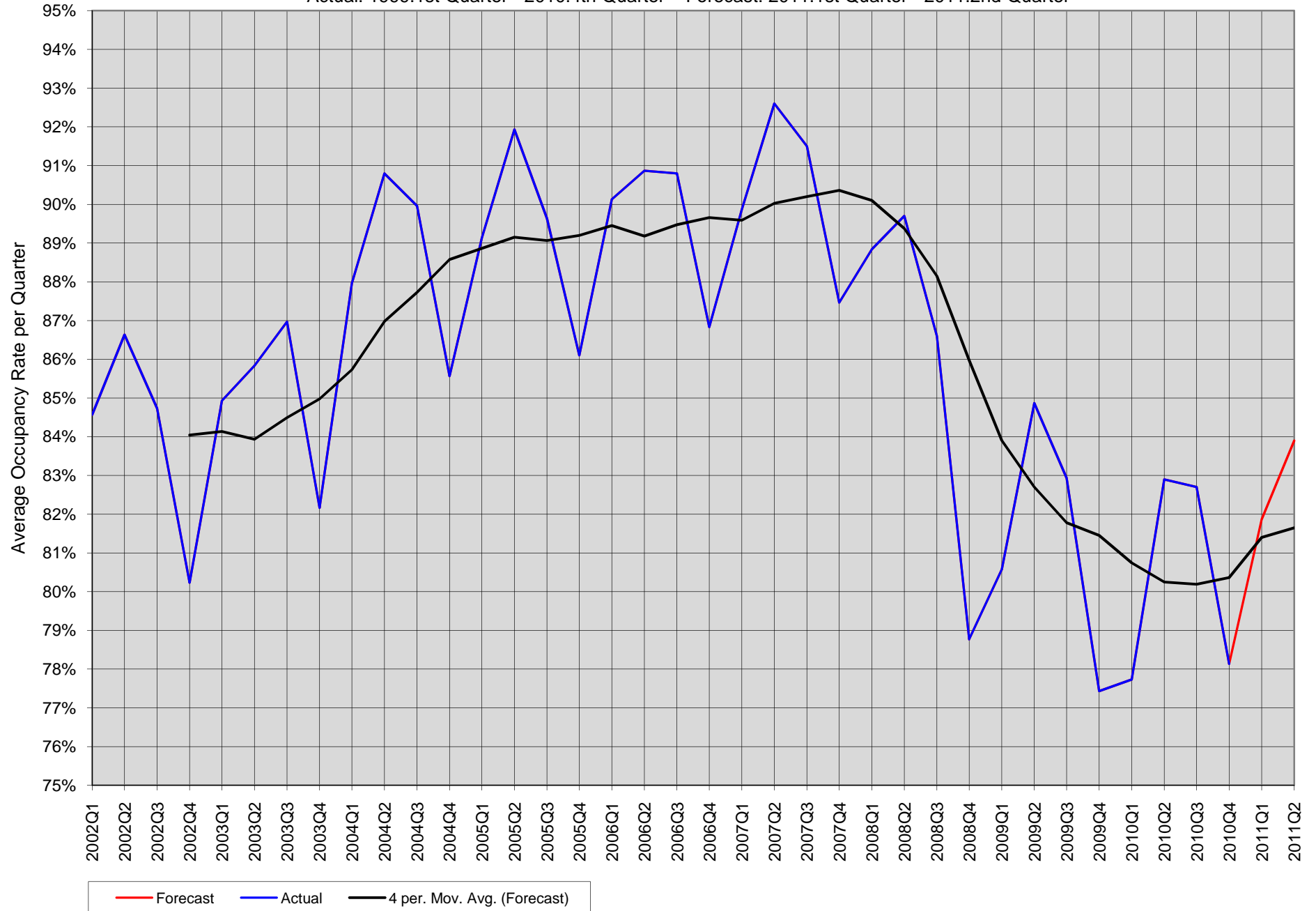


CHART 2 - ROOM TAX

Las Vegas Average Daily Room Rate

Actual: 2002:1st Quarter - 2010:4th Quarter Forecast: 2011:1st Quarter - 2011:2nd Quarter

