

ECONOMIC FORUM



**Thursday, October 13, 2022
8:30 a.m.**

**Grant Sawyer State Office Building
555 East Washington Avenue
Las Vegas, Nevada
Room 4401**

With videoconference to

**Legislative Building
401 South Carson Street
Carson City, Nevada
Room 4100**

STATE OF NEVADA
LEGISLATIVE COUNSEL BUREAU

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MOISES DENIS, *Senator, Chair*
Wayne Thorley, *Fiscal Analyst*
Sarah Coffman, *Fiscal Analyst*

MEETING NOTICE AND AGENDA

Name of Organization: Economic Forum
Nevada Revised Statutes (NRS) 353.226 – 353.229

Date and Time of Meeting: Thursday, October 13, 2022
8:30 a.m.

Place of Meeting: Grant Sawyer State Office Building, Room 4401
555 East Washington Avenue
Las Vegas, Nevada 89101

Note: Some members of the Economic Forum may be attending remotely, and some members may be attending in person. Other persons may observe the meeting and provide testimony through a simultaneous videoconference conducted at the following location:

Legislative Building, Room 4100
401 South Carson Street
Carson City, Nevada 89701

Advisory: The west entrance to the Legislative Building in Carson City is closed due to construction. All persons attending the meeting in Carson City should enter the building through the east entrance. Please use the security checkpoint currently located in the parking garage by the east entrance.

Additionally, this meeting can be listened to or viewed live over the Internet. The address for the Nevada Legislature's website is <https://www.leg.state.nv.us>. Click on the link: "[Scheduled Meetings](#)."

We are pleased to make reasonable accommodations for members of the public with a disability. If accommodations for the meeting are necessary, please notify the Fiscal Analysis Division of the Legislative Counsel Bureau, in writing, at fiscal@lcb.state.nv.us or call the Fiscal Analysis Division at (775) 684-6821 as soon as possible.

Please provide the meeting secretary with electronic or written copies of testimony and visual presentations if you wish to have complete versions included as exhibits with the minutes. Copies of testimony and visual presentations may also be emailed to economicforum@lcb.state.nv.us, mailed to the Fiscal Analysis Division, 401 South Carson St., Carson City, NV 89701, or faxed to (775) 684-6475.

Items on this agenda may be taken in a different order than listed. Two or more agenda items may be combined for consideration. An item may be removed from this agenda or discussion relating to an item on this agenda may be delayed at any time.

I. ROLL CALL.

II. OPENING REMARKS.

III. PUBLIC COMMENT.

Public testimony under this agenda item may be presented in person, by phone, or by written comment. Because of time considerations, each person offering testimony during this period for public comment will be limited to not more than 3 minutes. To call in to provide testimony during this period of public comment in the meeting any time after 8:00 a.m. on October 13, 2022, dial (669) 900-6833. When prompted to provide the Meeting ID, please enter 833 3990 6591 and then press #. When prompted for a Participant ID, please press #. To resolve any issues related to dialing in to provide public comment for this meeting, please call (775) 684-6990. A person may also have comments added to the minutes of the meeting by submitting them in writing either in addition to testifying or in lieu of testifying. Written comments may be submitted electronically before, during, or after the meeting by email to economicforum@lcb.state.nv.us. You may also mail written documents to the Fiscal Analysis Division, 401 South Carson St., Carson City, NV 89701, or fax them to (775) 684-6475.

For Possible Action

IV. APPROVAL OF THE MINUTES OF THE JUNE 9, 2022, MEETING.

For Possible Action

V. PRESENTATION ON THE STATE EMPLOYMENT OUTLOOK.

David Schmidt, Chief Economist, Research and Analysis Bureau, Department of Employment, Training and Rehabilitation

For Possible Action

VI. PRESENTATION ON THE STATE POPULATION OUTLOOK.

Matthew Lawton, State Demographer, Department of Taxation

For Possible Action

VII. PRESENTATION ON THE SOUTHERN NEVADA ECONOMIC AND CONSTRUCTION OUTLOOK.

Brian Gordon, Principal, Applied Analysis

For Possible Action

VIII. PRESENTATION ON THE NORTHERN NEVADA ECONOMIC AND HOUSING OUTLOOK.

Fred Steinmann, Director, University Center for Economic Development, University of Nevada, Reno

For Possible Action

IX. PRESENTATION ON THE CURRENT STATUS AND OUTLOOK FOR THE TOURIST AND CONVENTION/TRADE SHOW MARKET IN NEVADA.

Steve Hill, Chief Executive Officer/President, Las Vegas Convention and Visitors Authority

Charles Harris, Chief Executive Officer/President, Reno-Sparks Convention and Visitors Authority

Brenda Scolari, Director, Department of Tourism and Cultural Affairs

For Possible Action

X. PRESENTATION ON NEVADA INSURANCE MARKETS.

Nick Stosic, Deputy Commissioner, Division of Insurance, Department of Business and Industry

Jeremey Gladstone, Assistant Chief Insurance Examiner, Division of Insurance, Department of Business and Industry

Ryan High, Executive Director, Silver State Health Insurance Exchange

Georgina Castaneda, Policy and Compliance Manager, Silver State Health Insurance Exchange

For Possible Action

XI. REPORT AND DISCUSSION OF FY 2022 ACTUAL COLLECTIONS COMPARED TO THE ECONOMIC FORUM MAY 4, 2021, FORECAST, ADJUSTED FOR LEGISLATIVE ACTIONS APPROVED DURING THE 2021 SESSION AND COURT DECISIONS.

- For Possible Action* XII. MODIFIED BUSINESS TAX RATE REDUCTION PROVISIONS IN NRS 360.203.
Erica Scott, Economist, Department of Taxation
- For Possible Action* XIII. REPORT ON FORECAST ACCURACY BY FORECASTER FOR SELECTED REVENUES.
- For Possible Action* XIV. PRESENTATION ON PERSONAL INCOME AND WAGES IN RELATION TO POPULATION, EMPLOYMENT, AND INFLATION ON A NATIONAL LEVEL AND IN THE STATE OF NEVADA.
- For Possible Action* XV. PRESENTATION OF HISTORICAL TAXABLE SALES, GAMING MARKET, AND COMMERCE TAX STATISTICS.
- For Possible Action* XVI. INSTRUCTIONS TO THE TECHNICAL ADVISORY COMMITTEE ON FUTURE STATE REVENUES (NRS 353.229) CONCERNING THE GENERAL FUND REVENUE FORECASTS.
- For Possible Action* XVII. SCHEDULING OF FUTURE ECONOMIC FORUM MEETINGS.
- XVIII. PUBLIC COMMENT.
Public testimony under this agenda item may be presented in person, by phone, or by written comment. Because of time considerations, each person offering testimony during this period for public comment will be limited to not more than 3 minutes. To provide public testimony by telephone during this period of public comment, members of the public may call any time after the Chair announces this second period of public comment on October 13, 2022. To call in, dial (669) 900-6833.
- When prompted to provide the Meeting ID, please enter 833 3990 6591 and then press #. When prompted for a Participant ID, please press #. To resolve any issues related to dialing in to provide public comment for this meeting, please call (775) 684-6990. A person may also have comments added to the minutes of the meeting by submitting them in writing, either in addition to testifying or in lieu of testifying. Written comments may be submitted electronically before, during, or after the meeting by email to economicforum@lcb.state.nv.us. You may also mail written documents to the Fiscal Analysis Division, 401 South Carson St., Carson City, NV 89701, or fax them to (775) 684-6475.
- XIX. ADJOURNMENT.

Notice of this meeting was posted at the Legislative Building, 401 South Carson Street, Carson City, NV, at the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, NV 89101, and on the Internet through the Nevada Legislature's website at www.leg.state.nv.us. Supporting public material provided to Economic Forum members for this meeting may be requested from Anna Freeman, Fiscal Secretary, Fiscal Analysis Division, Legislative Counsel Bureau, 401 South Carson St., Carson City, NV 89701, at (775) 684-6821 or by email at economicforum@lcb.state.nv.us. Supporting public material for this meeting is/will also be available through the Nevada Legislature's website at www.leg.state.nv.us. Click on the link "Scheduled Meetings" followed by "Economic Forum."

**MINUTES OF THE MEETING OF THE
ECONOMIC FORUM
(NRS 353.225 – NRS 353-229)
JUNE 9, 2022**

The meeting of the Economic Forum (created by Senate Bill 23, 1993 Legislative Session) was called to order by Russell Guindon, Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), at 8:31 a.m. on June 9, 2022, via videoconference. Pursuant to *Nevada Revised Statutes* (NRS) 241.020 and 241.023, there was no physical location for this meeting. The meeting was broadcast live over the Internet on the Nevada Legislature website at <http://www.leg.state.nv.us>.

ECONOMIC FORUM MEMBERS PRESENT:

Linda Rosenthal, Chair
Jennifer Lewis, Vice Chair
Michael Crome
Marvin Leavitt
Vincent Zahn

STAFF:

Russell Guindon, Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB
Michael Nakamoto, Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB
Susanna Powers, Deputy Fiscal Analyst, Fiscal Analysis Division, LCB
Joe Reel, Deputy Fiscal Analyst, Fiscal Analysis Division, LCB
Christian Thauer, Deputy Fiscal Analyst, Fiscal Analysis Division, LCB
Anna Freeman, Committee Secretary, Fiscal Analysis Division, LCB

EXHIBITS:

Exhibit A: Meeting Packet and Agenda

I. ROLL CALL.

Russell Guindon, Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB called roll. All members were present.

II. OPENING REMARKS.

Ms. Rosenthal, as acting Chair, welcomed the new and returning members and made housekeeping remarks. Members introduced themselves.

III. PUBLIC COMMENT.

There was no public comment.

IV. ELECTION OF CHAIR AND VICE CHAIR.

MR. LEAVITT MOVED TO ELECT MS. ROSENTHAL AS CHAIR OF THE ECONOMIC FORUM.

MS. LEWIS SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Ms. Rosenthal abstained from the vote.)

MR. LEAVITT MOVED TO ELECT MS. LEWIS AS VICE CHAIR OF THE ECONOMIC FORUM.

MR. ZAHN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Ms. Lewis abstained from the vote.)

V. APPROVAL OF THE MINUTES OF THE DECEMBER 7, 2021, MEETING.

VICE CHAIR LEWIS MOVED TO APPROVE THE MINUTES OF THE DECEMBER 7, 2021, MEETING.

MR. LEAVITT SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

VI. OVERVIEW OF THE ECONOMIC FORUM AND THE TECHNICAL ADVISORY COMMITTEE ON FUTURE STATE REVENUES (NRS 353.226 353.229).

RUSSELL GUINDON (Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB):

Prior to the establishment of the Economic Forum (Forum) by Senate Bill (S.B.) 23 (1993 Legislative Session), the Governor and staff, in developing The Executive Budget to be submitted to the Legislature, developed their own State General Fund revenue forecast on which the state budget was built. The Legislature could adjust this forecast when developing the legislatively approved budget. This structure for the preparation of revenue forecasts used for the executive and legislative budget process could lead to perception issues as to them being unbiased and nonpartisan, leading to disagreements between the two branches of government. Thus, the Legislature created the statutory process known as the Economic Forum. The provisions for the Forum are codified in *Nevada Revised Statutes* (NRS) 353.226 through NRS 353.229.

Under the statutory provisions, the Governor is required to appoint all five members of the Forum to a two-year term. One member is nominated by the Majority Leader of the

Senate, one member is nominated by the Speaker of the Assembly, and the Governor selects three members to be appointed. The Forum is a nonpolitical and nonpartisan entity. Its role is to produce unrestricted General Fund revenue forecasts.

The Forum is required, on or before December 3 of even-numbered years, to produce a forecast for all unrestricted General Fund revenue. This forecast is required to be used by the Governor in developing The Executive Budget that will be submitted to the Legislature for consideration in the legislative session, which occurs in every odd-numbered year. The Forum is required to produce a revised forecast, if necessary, on or before May 1 of odd-numbered years. That forecast is then used by the Legislature in developing the legislatively approved General Fund budget. The Forum prepares forecasts for the current fiscal year as well as the next biennium.

Assembly Bill (A.B.) 232 (2011 Legislative Session) requires the Forum to conduct interim meetings on or before June 10 of even-numbered years and on or before December 10 of odd-numbered years. The statute does not require the Forum to consider or approve revised forecasts at these interim meetings. The interim meetings allow for updates on the actual collections compared to the forecasts as well as updates on the economic condition of Nevada or for informational items.

At today's meeting—the first meeting after the appointment of members—there are administrative and housekeeping duties such as the election of a Chair and Vice Chair and the upcoming agenda items which set the preliminary work for the October, November, and December meetings, working toward the approval of a forecast in December.

As part of the statutory provisions of the Forum, there is a body called the Technical Advisory Committee on Future State Revenues (TAC). The TAC consists of the Senate and Assembly Fiscal Analysts from the Fiscal Analysis Division; the Chief of the Budget Division from the Governor's Office of Finance; the head of the Research and Analysis Bureau from the Employment Security Division of the Department of Employment, Training and Rehabilitation (DETR)—David Schmidt, who will be presenting the next agenda item; the Vice Chancellor of Finance from the Nevada System of Higher Education; the State Demographer from the Department of Taxation; and the Chair of the Committee on Local Government Finance. The TAC is a seven-member body required to assist the Forum, as directed.

The Legislative Counsel Bureau and the Budget Division of the Governor's Office of Finance are jointly required to provide staff services to the Forum and the TAC.

There was no further discussion on this agenda item.

VII. PRESENTATION ON THE STATE EMPLOYMENT AND UNEMPLOYMENT OUTLOOK.

DAVID SCHMIDT (Chief Economist, Research and Analysis Bureau, Employment Security Division, DETR):

Nevada has experienced much turmoil in the past several years. During the COVID-19 pandemic, Nevada had the highest unemployment rate of any state going back to 1976 when records began. The unemployment rate in April 2020 was approximately 30%. The rate at which unemployment has risen and fallen is remarkable. In most areas, the pandemic magnified the trends already in place. Many trends accelerated quickly, and change is still working its way through the system. At a high level, employment in Nevada is almost back to pre-pandemic levels. Total non-farm employment is not quite what it was, but it is over 99% of the way back. Total private sector employment, as of April 2022, exceeds the total private sector employment before the pandemic.

Unemployment in Nevada is currently 5%. The United States (U.S.) unemployment rate is 3.6%. Nevada is elevated compared to the U.S.; it is not down to the all-time lows before the pandemic but is at what is considered to be a good unemployment rate. Unemployment claims are at multi-decade lows. One would need to go back to 1990 to find comparable months for this low level of unemployment claims in Nevada. The absolute number of claims being that low is very telling of the share of people collecting unemployment benefits. The trend is similar to the years coming out of the Great Recession, with a steady downslope. The numbers today are essentially a continuation of that trend.

The rates of job turnover and the increase in hourly wages point to a tight labor market with a lot of demand chasing fewer jobs.

The chart on page 45 shows the net change in jobs statewide from February 2020 to April 2022 (Exhibit A). The total non-farm jobs category is -4,100, which is nearly recovered. The total private sector jobs category is up 2,400. The big dislocations are in the accommodation and food services category and the leisure and hospitality category. Casino hotels in Las Vegas continue to be the area most affected by the pandemic. Accommodation and food services are -31,900. Leisure and hospitality are -34,300.

There has been a lot of growth in transportation and warehousing, up 18,500 jobs. The broader category of trade, transportation, and utilities is up 24,400 jobs. There has been a shift in the mix of jobs in the economy. Outside of casino hotels, the areas with the most decrease are other services, the catchall of personal services which do not fall into another category, as well as government, which includes federal, state, and local government employment. Federal government employment in Nevada has recovered, but state and local government employment—including university and school district employment—have not.

The charts on pages 46 and 47 include more industries for local areas (Exhibit A). These are not seasonally adjusted so there is a broader mix of jobs. In Las Vegas, the story is similar to Nevada as a whole, but the recovery is weaker. Casino hotels are the most affected, down 24,900 jobs.

The Reno area has recovered all its jobs, hitting a post-pandemic peak in October 2021, and growing slightly since then. The total non-farm category in the Reno area is up 8,100. The casino hotel industry, down 2,600 jobs in the Reno area, is the most affected—just as it is in the Las Vegas area.

The chart on page 48 shows total recovery by sector (Exhibit A). The color represents recovery in April 2022 compared to February 2020. Greener is more recovered; redder is less recovered. The transportation, warehousing, and utilities category is 21.2% above its pre-pandemic level, representing approximately 6.8% of total jobs in the state. The accommodation category is at 80% of its pre-pandemic level at approximately 10.9% of total jobs in the state. One out of every five jobs in accommodation before the pandemic is not there after the pandemic. The industry is trying to hire, but total employment has not recovered. It is hard to say if it is the supply side or the demand side, but the total level of jobs in accommodation is down. The trend in 2022 seems to be fairly flat.

Manufacturing is 8.4% above and government is 4% below pre-pandemic levels.

Accommodation and food services are often referred to as a broad sector in the economy. However, accommodation is acting very differently from food services. Food service is up 4.2% from its pre-pandemic level. The accommodation sector has been affected the most and has not recovered as quickly as any other sector of the economy.

Annual wage changes for some sectors are shown on page 49 (Exhibit A). Broad trends are visible. The red line represents the average hourly earnings for all employees. The blue line represents average hourly earnings for production employees. The grey area shows the 20th to 80th percentile for other states, which is helpful to see how Nevada's trends compare to nationwide trends. The construction industry in Nevada has seen less hourly wage increase than in most other states.

All states have seen a sharp increase in wages in the leisure and hospitality industry, which is generally lower-paid work. Competition to attract workers has created an increase in wages. Nevada's increase is higher than the 80th percentile mark for other states in this area. Part of this likely has to do with the mix of employment. Nevada historically has more employment in accommodation, which tends to have approximately 50% higher wages than food service. Because of this mix, Nevada's average wage in the leisure and hospitality industry tends to be higher than that in other states. The most recent data from April 2022 shows an annual increase of approximately 15%.

In professional and business services, the approximately 15% increase in Nevada is considerably higher than the 80th percentile of other states for that industry.

Another data point available is the Bureau of Labor Statistics Job Openings and Labor Turnover Survey data from March 2022 (page 50, [Exhibit A](#)). The top section shows the absolute numbers. The bottom section shows the rate of change, which allows comparison between states. Nevada's hiring rate was the highest in the country but has moderated to 25th. One out of every twenty workers was hired into a new job; that is a rapid pace of change. The all-time low is 3% and the all-time high is 12% when jobs came back after the shutdown of nonessential businesses. March 2020 and June 2020 are the all-time highs and all-time lows for many of these.

Compared to total employment, 7.3% of Nevada jobs were open as of March 2022. This is a high pace of job openings and only 22nd in the nation. There were 114,000 job openings in Nevada in that month.

For context, page 51 compares total employment and total job openings ([Exhibit A](#)). These are two different estimates from different points in time, but for the sake of trying to stack the two together, it is interesting to think of this as overall demand for labor: both people who are working and the jobs employers are looking to fill. Currently in Nevada, the demand for labor is the highest it has ever been. Employment plus job openings is above 1.5 million. It is slightly above the pre-pandemic level. Demand for labor is growing, which is putting pressure on the labor market.

Unemployment is low (page 52, [Exhibit A](#)). Nevada and the country as a whole have come a long way. Typically, in recovery from a recession, the unemployment rate will drift lower over time. Nevada is at the point where dramatic changes should no longer be expected. Unemployment will likely continue drifting lower until the next recession.

Page 53 shows two measurements together: the number of people unemployed for 15 weeks or longer compared to the total number of unemployed people ([Exhibit A](#)). This ratio gives a sense of the share of unemployed workers in this longer-term category. In the housing boom and the pandemic, Nevada has a considerably higher share of longer-term unemployed workers compared to the U.S. as a whole. This is a 12-month average through the first quarter of 2022; it incorporates some of the recovery from the pandemic's impact. However, this will likely continue due to the dislocation from the casino industry and the challenges in returning to work. It is in this longer-term unemployment category that Nevada is higher than the U.S.

Another trend in Nevada is declining labor force participation over time (page 54, [Exhibit A](#)). Nevada had a high rate in the 1980s and 1990s but has matured as a state and is no longer experiencing 6% growth every year. Population growth normalized as more retirees moved to Nevada—especially to the Las Vegas area—causing the labor force participation rate to fall. There was a decline in rates coming out of the Great Recession, a rise before the COVID-19 pandemic, and a drop during the pandemic. Rates in Nevada are now at the lower end compared to the U.S. as a whole, rather than the higher end where it has historically been.

Page 55 shows a breakdown by demographics (Exhibit A). The blue line represents Washoe County, the red line represents Clark County, and the dashed line is the median for all states. In 2019, labor force participation in Clark County through approximately age 54 was close to or above the median. The labor force participation for older age groups in Clark County is lower. There are more retirees now, especially in Las Vegas, so that rate is getting lower. Nevada's attracting a different population over time affects the labor force participation rate. The working-age population of people 20 to 64 or 25 to 64 years old in Nevada has a rate closer to the nationwide median. The highest-level trends, especially regarding age, are likely the most informative to the Forum.

Unemployment claims are at multi-decade lows (page 56, Exhibit A). The trend is significantly lower in 2022 than it was in 2021 and closer to normal. Average benefits are up, the average duration is falling, and the number of people exhausting their benefits is low. The average duration of benefits has historically been approximately 13 weeks. The current average duration at 17.38 weeks is high—almost shockingly so. However, the average duration was 23.5 weeks a year ago. This longer duration of unemployment is still being experienced even though the number of people in the system is low. The exhaustion rate—the number of people who have used all available benefits before finding a job—is low. These numbers seem strange. There is longer-term unemployment but fewer people exhausting their benefits. The exhaustion rate is typically 33% to 35%, but it is currently 28%.

Some of the challenges of longer-term unemployment are the conditions for people to return to work. They need support and tools to return to work. Unemployment benefits, even for this small share of people, could be a form of support while people try to find a job that will meet their needs, whether that is child care, hours, commute, etc.

MR. LEAVITT:

Warehousing is a big growth area in the state. What is expected for employment in that area? In a recession, would this employment be more stable?

MR. SCHMIDT:

It may be more stable, but it depends on the type of recession. In the pandemic, because people were staying home more, there was a lot more e-commerce and more demand for warehouse employment. Hypothetically, if gas prices rose to prices that restricted people from going out, that same impact could be seen. However, high gas prices could also make shipping costs rise and the opposite could occur. A recession similar to the 2001 recession, with the dot-com bubble and the impact of September 11, 2001, would not have much impact on warehousing. The 2007 recession affected consumers more broadly due to the loss of two-thirds of the construction industry and its high-paying jobs as well as the general sense of wealth due to the inflation of housing prices. If the need for manufacturing and logistic support were lessened, warehousing employment would

likely decline. However, warehousing is likely less exposed than leisure and entertainment, which tend to have more volatility.

MR. LEAVITT:

It is good to see that construction is no longer a huge percentage of the growth in Nevada's labor force.

MR. SCHMIDT:

That is a factor that provides stability, even with some concern about a potential recession in the future. Nevada's construction industry is no longer 150,000 jobs; it is approximately 100,000 jobs and not accelerating rapidly. The large percentage of construction jobs was a contributing factor to Nevada being so affected by the Great Recession. Currently, construction employment in Nevada is approximately where it was in the early 2000s, before the housing boom. There is room for more construction jobs due to the current demand for construction, but Nevada is less exposed to collapsing in the way it did in 2007.

MR. LEAVITT:

Is there data on what those who have lost jobs in accommodation are doing now? Some may be on long-term unemployment, some may have moved out of state, and some may be working in other fields. Is there a larger share in one of these categories?

MR. SCHMIDT:

In broad terms, it is similar to what has happened in prior years. Some people have returned to accommodation jobs, some have moved to related industries, some have left the workforce by moving out of state or retiring, and some are likely facing other barriers to employment. Preliminary comparisons of people who experienced some form of separation in 2020 and their employment status in 2021 compared to those same industries in 2018 and 2019 as a baseline both show that approximately 40,000 to 50,000 individuals were impacted. There is a limitation on the data because it only shows if an individual had a wage in a calendar quarter. For example: people who lost their jobs in March and were then reemployed in June would not appear in this quarterly data even though they were unemployed for a time.

Of those people who had any separation, most go back to the same industry. For separations from accommodation, most people go back to accommodation. This is true for both the 2020 to 2021 data and the 2018 to 2019 baseline. Of those who do not return to accommodation, the next highest share generally goes into food services, a closely related industry. The next largest is temporary help services. The rest are then diffused throughout the rest of the economy. That trend is largely true in both cases. In 2020, there was approximately a 10% larger share not showing up in any wage records. This could mean that they left the state or that they are not working. This data does not include

all of 2021 so it is not current. There has likely been an increase in those not in the labor force due to a move, retirement or barriers in finding a suitable job. It is unlikely they are collecting unemployment or other benefits because there has not been a spike in those numbers. Most people who had a separation have gone back to work in some capacity.

MR. LEAVITT:

What is the current status for unemployment insurance funds?

MR. SCHMIDT:

The Unemployment Trust Fund is a dedicated fund to pay for benefits from money collected from employers through unemployment taxes. Prior to the pandemic, there was approximately \$2 billion in this fund, which was estimated to be approximately one and a half years of benefits. The fund was depleted in December 2020. Even with a Great Depression-level hit to the economy, the fund lasted approximately six to eight months. There is a permanent provision in social security law, Title XII, which provides for essentially unlimited loans from the federal government to states to continue paying unemployment benefits. Nevada utilized this from December 2020 to May 2021, borrowing approximately \$350 million. There was then federal stimulus, which the Governor and Legislature decided to use to repay that loan, bringing Nevada back up to \$0 and preventing increased federal taxes on employers.

Since then, contributions have continued. Currently, the fund contains approximately \$600 million. This is obviously much lower than the \$2 billion before the pandemic but it is progress in restoring the trust fund. Nevada is paying less than \$3 million per week in benefits. It is currently cash flow positive, with more funds coming in than out. At current levels, there are approximately four years of benefits in reserve. The goal is to build reserves up to absorb the impact of a future recession without needing to raise taxes on employers. The loans have been paid off for Nevada; there is no potential interest or other federal charges. In contrast, California has approximately \$17 billion in loans due to the federal government.

MR. LEAVITT:

The recent changes in Nevada's economy make it more protected from future recessions—perhaps not pandemic recessions, but typical recessions.

MR. SCHMIDT:

Definitely. Nevada was in a better place going into the COVID-19 recession because of the built-up unemployment funds; this was an active decision by the Employment Security Division. It is a credit to the way the process ran that Nevada went through the biggest economic impact any state has ever experienced and was able to go from April through

December 2020 before needing to borrow money. That was a healthy reserve. Other states had to borrow much sooner than Nevada.

Part of the purpose of the trust fund is to provide more stability to employers. Heading into the pandemic, the average tax rate on employers was 1.65%. Coming out of the pandemic, the average tax rate on employers was still 1.65%. There were no surcharges, interest fees, or federal unemployment tax increases. Nevada met the objective of fiscal stability through the course of the pandemic. This includes the Governor and Legislature appropriating money from American Rescue Plan Act funds to repay the \$300 million loan. In contrast, during the Great Recession, Nevada took on approximately \$850 million in loans. Because Nevada went into the pandemic recession with a more secure fund and a slightly higher average tax rate on employers, it was able to maintain stability.

MR. ZAHN:

Demand for labor is at or near an all-time high. Long-term unemployment is at an interim high and labor force participation is near the low end of what is considered normal. There is friction and dislocation in this labor market. Are there any high-level policy recommendations to reduce some of the friction in the system, encourage workforce participation, and redistribute the workforce to where the demand is higher?

MR. SCHMIDT:

A person gaining employment is a small-scale match. Recovery takes time. In a normal recession, employment flows in and out over the course of several years. The timescale of the pandemic recession is part of the challenge. It takes time for a person to get connected with a job in the child care industry and then for parents to place their child into that child care so that they are able to work. This is an opportunity for employers to recruit those who may be overlooked such as people with disabilities or people with scheduling needs. If an employer is able to recruit someone that another employer is not also chasing, they have the opportunity to find individuals who are highly motivated to work and just need some additional supports. It will take time for the web of supports to come into place to support career outcomes.

General expectations for unemployment and labor force are on page 59 ([Exhibit A](#)). The broad trend in employment will return to normal in terms of labor force and employment growth. The accommodation industry is not expected to see a significant rebound. Coming out of recessions, accommodation has been flat or experienced job loss and then a less-than-complete recovery. The current flat trends are expected to continue in the near term. Labor force participation is, in part, being driven down nationally due to large demographic trends like the aging of the Baby Boomer population. Retirees moving to Nevada will push down its participation relative to other states. Nevada is similar to Arizona and Florida in terms of their labor force participation rate of approximately 60%. Labor markets are expected to remain tight. Unemployment is expected to remain low.

DETR creates a few different types of projections for employment. As part of federal grant requirements, two- and ten-year projections go from a specific base year. Current short-term projections are from June 2021 to June 2023. One year from now is too short of a time horizon to be useful to the Forum looking at the next biennium. The ten-year projections are intended to be more neutral to business cycles to find long-term trends in industries.

These are not finalized, but some of the preliminary forecasts are included on page 61 (Exhibit A). The preliminary forecasts are from June 2020 to June 2030. Some of the current growth is pandemic rebound from the bottom of the biggest drop ever seen; it is not expected that this trend will continue. The informal projections on pages 62 and 63 have been plugged into an autoregressive integrated moving average or an exponential trend smoothing model. This is modeled on monthly data, not quarterly. These models also tend to smooth out individual fluctuations.

Long-term projections for a few industries that may be interesting or worthwhile are on page 61 (Exhibit A). The total for all industries indicates that the 2030 employment will be approximately 1.6 million, an annualized growth rate of 2.3%. Because these projections start in June 2020, accommodation has a high growth rate but that is from a low point in the pandemic. Even with 181,544 jobs in 2030, that is not a full recovery. Before the pandemic, accommodation had approximately 200,000 jobs. The most growth is expected in nursing and residential care facilities, with 5.8% growth from 2020 to 2030. Some of this is pandemic-related; some is related to longer-term demographic trends. Food services and drinking places are right on trend with the total. Education and health services have slightly lower growth rates. Mining and manufacturing are lower. Credit intermediation and related activities is one of the lowest categories at 0.4%; not much growth is expected there due to the slowing of the housing market.

The informal projections start in April 2022, so they are not projecting from the lowest pandemic levels (page 62, Exhibit A). The annualized growth rate is shown in the upper corner of each graph. Total non-farm is projected at 1.7%. The model shows 0% growth for accommodation and food services, likely due to the current volatility. The relatively flat trend from 2000 to 2010 is likely influential in this model. Where the growth has occurred recently has largely been in food services, not in accommodation. Construction is not projected to have as large of a recovery; it is near the level prior to the housing boom. That is dominating the automatic trends. The growth rate trend in health care and social assistance is projected to continue.

The models for industries on page 63 are either in the 2% or the 0% growth range (Exhibit A). That is generally a good blueprint of what to expect.

MR. CROME:

In the selected long-term projection data, ambulatory health care services are projected to grow 1.7% annually while nursing and residential care facilities are projected to grow

5.8% annually. It seems these two would be similar. Is there a reason ambulatory services is much lower?

MR. SCHMIDT:

This may be because ambulatory services are dictated more by population growth, rather than the special demands of an aging population.

There was no further discussion on this agenda item.

VIII. PRESENTATION ON THE TAX CHANGES APPROVED BY THE LEGISLATURE DURING THE 2021 SESSION, COURT DECISIONS RELATING TO ACTIONS APPROVED BY THE LEGISLATURE DURING THE 2019 SESSION, AND THE ECONOMIC FORUM MAY 4, 2021, FORECAST FOR FY 2021, FY 2022, AND FY 2023, ADJUSTED FOR LEGISLATIVE ACTIONS APPROVED DURING THE 2021 SESSION AND COURT DECISIONS.

RUSSELL GUINDON (Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB):

This information was presented to the Forum at the December 7, 2021, meeting (page 65, Exhibit A). The table documents all General Fund unrestricted revenues for which the Forum must approve a forecast. This is the forecast from May 4, 2021, including adjustments for legislative actions and court decisions.

The Forum is required to produce its forecast in December of even-numbered years and May of odd-numbered years under current law. The Legislature may change laws that affect these revenue sources shortly after the Forum approves its May forecast. The Modified Business Tax (MBT) was affected by a court case and Supreme Court ruling in 2021.

The total General Fund revenue both before and after tax credits are shown on the bottom of page 69 (Exhibit A). There are many tax credit programs that have been established since the 2013 Legislative Session. These programs will be discussed at future meetings. Tax credit programs can affect General Fund revenue sources—generally, the Gaming Percentage Fee Tax, the MBT, and the Insurance Premium Tax are affected. The tax credit programs are essentially handled as negative revenue sources for the forecasting process, rather than incorporating them into a net forecast for the revenue source to which they correlate.

The May 4, 2021, forecast for FY 2021 was approximately \$4.2 billion (page 69, Exhibit A). Revisions to the FY 2021 forecast in the current biennium are important because the Governor and the Legislature can decide how to allocate additional revenue or include this funding in the ending fund balance for FY 2021, which becomes the beginning balance for FY 2022 and is considered available revenue for the FY 2022 and FY 2023 budgets. At the December 2021 meeting, staff presented a set of tables comparing the actual collections to the forecast. That information is available on the Economic Forum webpage (<https://www.leg.state.nv.us/App/InterimCommittee/REL/Interim2021/Committee/1906/Meetings>).

The actual collections for FY 2021 were approximately \$226 million above the May 4, 2021, forecast for FY 2021. This may be a helpful reference point to keep in mind when the differences of actual amounts versus forecast amounts for FY 2022 are discussed under the next agenda item. The May 4, 2021, forecast for FY 2022 was \$4.4 billion and for FY 2023 it was \$4.7 billion. These are the forecasts after the adjustments for legislative action and court decisions. The legislative changes are documented under the notes section (page 70, Exhibit A).

Tables 1 through 3 document how tax credit programs work legislatively and their effect on the net General Fund revenue available. These tables are included in the Appropriations Report prepared by the Fiscal Analysis Division, available on the Nevada Legislature's website (<https://www.leg.state.nv.us/division/fiscal/Appropriation%20Reports/index.html>).

Table 1 is a summary table documenting the Forum's May 4, 2021, forecast as it existed under law at that point in time as well as itemizing the tax credits (page 75, Exhibit A). Table 2 documents the legislative actions—and in this case, court decisions—that affect any of these General Fund revenue sources. When possible, an estimate is also included.

Assembly Bill (A.B.) 495 (2021 Legislative Session) imposed a new tax on the gross revenue of businesses engaged in the extraction of gold or silver in Nevada (page 79, Exhibit A). This tax is due toward the end of each fiscal year based on the gross revenue from the immediately preceding calendar year. The tax is 0.75% of the gross revenue between \$20 million and \$150 million and 1.1% of the gross revenue over \$150 million. The first \$20 million is exempt from taxation. The estimated General Fund revenue from this new tax is \$83.8 million in FY 2022 and \$81 million in FY 2023. The Department of Taxation has not yet reported any year-to-date actual collections for this new tax.

Under the provisions approved in A.B. 495 (2021), the proceeds of this new tax go to the General Fund in FY 2022 and FY 2023 only. Beginning in FY 2024, these funds will go to the State Education Fund for the support of K-12 education. The General Fund portion of the Net Proceeds of Minerals Tax will also go to the State Education Fund beginning in FY 2024. This means that the Forum will need to approve a forecast for FY 2023. However, because it is not responsible for the revenue sources of the State Education Fund, the Forum will not be presented with forecasts for FY 2024 or FY 2025 for this new tax or the Net Proceeds of Minerals Tax.

The MBT is a tax comprised of three components: the MBT on Nonfinancial Businesses—sometimes referred to as General Business, the MBT on Financial Institutions, and the MBT on Mining. The MBT on Financial and Mining have the same structure of tax rates.

In the 2015 Legislative Session, when the Commerce Tax was approved, changes were also made to the MBT rates. The MBT General Business tax rate was established at 1.475% on wages paid by an employee that exceed \$50,000 per quarter. The tax rate on the MBT on Financial and Mining was established at 2%. Provisions were established

as part of the Commerce Tax and the increase in the MBT, referred to as the “MBT rate reduction calculation.” Under the provisions established in 2015, the Department of Taxation, on or before September 30 of even-numbered years, reviews the actual collections of the Commerce Tax, all three components of the MBT, and the Branch Bank Excise Tax for the immediately preceding even-numbered fiscal year. The Branch Bank Excise Tax is such a small revenue source it does not impact the calculation. The Department of Taxation compares the actual collections compared to the forecast. If the actual collections are more than 4% above the forecast, the Department of Taxation is required to do the statutory formula calculation to proportionally reduce the MBT rates such that they would have only generated 4% more revenue than forecast.

In September 2018, this calculation resulted in the MBT Nonfinancial rate being reduced from 1.475% to 1.378% and the MBT Financial and Mining rates to be lowered from 2% to 1.853%. Under the statutory provisions for the MBT rate reduction calculation, any rate reductions that are to occur do not become effective until July 1 of the following fiscal year. Thus, these rate reductions became effective July 1, 2019, for FY 2020 and were assumed to go forward in FY 2021. The December 2020 and May 2021 Forum forecasts were based on these lower rates. During the 2019 Legislative Session, S.B. 551 eliminated the rate reduction calculation provisions and the reduced rates for the 2018 calculation, re-establishing the higher rates of 1.475% and 2%. An adjustment to the forecast by Fiscal Division staff added revenue to the MBT forecast for this legislative action.

The passage of S.B. 551 (2019) was challenged in court as unconstitutional (page 71, Exhibit A). On May 13, 2021, the Nevada Supreme Court upheld the First Judicial Court ruling, requiring reinstatement of the lower rates and issuance of refunds for all MBT that was collected at the higher rates between July 1, 2019, and March 31, 2021. Adjustments to the May 4, 2021, forecast were made to reflect the estimated impact of these court decisions. Taxpayers paid the higher rate for all four quarters of FY 2020 and the first three quarters of FY 2021. The rate reduction became effective for the fourth quarter of FY 2021 and going forward. The estimates on page 79 show the effects of refunds with interest and rate reductions. Those effects are allocated to FY 2021, FY 2022, and FY 2023.

Under current law and the Nevada Supreme Court ruling, staff will prepare the next forecasts under the lower rates. The court decision not only said that S.B. 551 was unconstitutional but it also re-established the MBT rate reduction calculations in law. Thus, the Department of Taxation will be required, on or before September 30, 2022, to look at the actual collections for FY 2022 compared to the forecast for the MBT, Commerce Tax, and the Branch Bank Excise Tax. Again, if those actual collections are more than 4% over the forecast, a proportional rate reduction will be required. If there is a rate reduction requirement, there will be a different set of rates under which the forecast must be prepared for FY 2024 and FY 2025 compared to FY 2023. That information will be available by the October 2022 Forum meeting and can be taken into account in preparing forecasts to be presented at the November and December Forum meetings.

On the top of page 81, there is another notable legislative change under the Short-Term Car Lease category (Exhibit A). Peer-to-peer car sharing programs, under S.B. 389 (2021 Legislative Session), now have the same 10% State General Fund tax as short-term car rentals through traditional car rental companies. There is an additional 2% imposed in Clark and Washoe Counties on car rentals, which is also now applicable to peer-to-peer rentals. The estimated effect is approximately \$750,000 for FY 2022 because this became effective on October 1, 2021. Forecasters will take this into account, but most likely, information will not be available about the change from this addition because of the limited number of taxpayers. The Department of Taxation cannot publicly disclose information that could result in the inference of an individual taxpayer's taxes.

Table 3 summarizes the total General Fund revenue forecasts under current law, shows the effect of changes due to legislative changes and court decisions, and itemizes the effect of tax credits (page 87, Exhibit A). Revenue is forecast in gross terms, separate forecasts are prepared for tax credit programs, and then they are combined to determine the net revenue forecast. The Gaming Control Board and the Department of Taxation provide actual information of net revenue collected. Staff tracks both the gross and net revenue, evaluating the effects of the tax credit programs.

Tables from the Appropriations Report were presented at the December 2021 meeting (page 93, Exhibit A). Table 1 compares the Forum's December 3, 2020, forecast under current law and the May 4, 2021, forecast, adjusted for legislative actions and court decisions. This documents how much additional revenue was added between forecasts. This is a much larger number than usual because of the difficulty in forecasting during a pandemic. Between these two forecasts, there was uncertainty about the economic effects of COVID-19, the timing of vaccine rollouts, and federal stimulus funds.

Over the three fiscal years, the total difference between the December 3, 2020, forecast and the May 4, 2021, forecast is approximately \$873.4 million. Table 2 itemizes the effects of legislative changes and court decisions by fiscal year as well as those changes due to the differing economic outlook between December 2021 and May 2022 (page 94, Exhibit A). The net effects are shown by fiscal year as well as the total.

Table 3 itemizes the effects of the court decision regarding the MBT: refunds and interest for the seven quarters of taxes paid at the higher rate and the rate reduction going forward (page 94, Exhibit A). The bulk of the refunds and interest is allocated to FY 2021 but, because the decision was made near the end of the fiscal year, a residual amount was estimated to affect FY 2022. The rate reduction affects the last quarter of FY 2021 and all four quarters of FY 2023 and FY 2023.

The blacked-out text under Table 3 is not anything secret (page 94, Exhibit A). This text makes reference to tables in the Appropriations Report that are not included here; it is simply excluded to avoid confusion.

The forecast comparison table documents the changes by major General Fund revenue source (page 95, [Exhibit A](#)).

Forecasters will incorporate any legislative changes into the forecasts to be approved this cycle. Those revenue sources that have been affected will be documented and noted in the upcoming meetings. It is not yet known if the MBT rate reduction calculation will trigger a rate reduction. This information will be presented to the Forum at the October 2022 meeting.

There was no further discussion on this agenda item.

IX. REPORT AND DISCUSSION OF FY 2022 YEAR-TO-DATE ACTUAL COLLECTIONS COMPARED TO THE ECONOMIC FORUM MAY 4, 2021, FORECAST, ADJUSTED FOR LEGISLATIVE ACTIONS APPROVED DURING THE 2021 SESSION AND COURT DECISIONS.

RUSSELL GUINDON (Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB):

These tables track the actual revenues for each fiscal year and compare them to the forecast (page 97, [Exhibit A](#)). The tables in the previous agenda item were only forecasts. The Forum approves fiscal year forecasts for each revenue source. These revenues are collected monthly, quarterly, or annually, which creates a unique challenge in tracking actual year-to-date collections in a fiscal year forecast. Tax credits add another level of complexity.

Table 1 is separated into major General Fund revenue sources, select non-major General Fund revenue sources, all other General Fund revenue sources, and tax credits (page 97, [Exhibit A](#)). Forecasters present individual forecasts and the Forum decides on a consensus forecast for the major General Fund revenue sources. The other revenue forecasts are handled by the TAC, based on direction from the Forum.

CHAIR ROSENTHAL:

This is how the Forum currently has these revenues split. There is an option for the Forum to move taxes within categories. A tax with certain growth characteristics or interest could be moved into the major General Fund revenue source category to get more detailed information. The Forum has flexibility in categorizing these taxes.

MR. GUINDON:

The actual collections, actual percentage change, and forecast percentage change for each revenue source in FY 2021 are shown in yellow (page 97, [Exhibit A](#)). The May 2021 forecast included FY 2020 actuals but forecast FY 2021. In May 2021, the Forum predicted a 2.3% increase in Sales and Use Tax collections in FY 2021. The actual collections in FY 2021 grew 9.1%. That is a forecast error of approximately \$83.3 million. This Sales and Use Tax line item is the General Fund portion of the sales tax rates

imposed in each county. Depending on the county, the rate ranges from 6.85% to 8.365%, but 2% goes to the General Fund regardless of county. The rest is dedicated to K-12 education, local governments, or special purposes.

The Forum's May 2021 forecast for FY 2022 includes adjustments for legislative actions and court decisions. The Sales and Use Tax did not have any adjustments. The 4.8% growth compares the FY 2022 forecast to the FY 2021 forecast. Actual collections can decline 1.8% and still achieve the FY 2022 forecast because the FY 2021 actuals came in so much higher than the FY 2021 forecast. The shares of the total General Fund are shown in green to give an idea of the order of magnitude. However, these can get confusing throughout the fiscal year because of the timing of when various taxes are collected. The shares of the FY 2021 actual compared to the forecast are important, especially in a pandemic period. The 1.8% decline will be included in the next table.

Table 2 shows the FY 2021 actual collections, year to date, in yellow, and the FY 2022 actual collections, year to date, in orange (page 98, [Exhibit A](#)). The same blocks are shown in the left-hand column but in parenthesis, after the description of the tax, the months of actual collections known are listed. Sales tax is collected monthly. Here, there are nine months of actual collections for sales tax known and reported by the Department of Taxation—through March. The percentage fee tax has eleven months—through May. This is important to keep in mind in year-to-date comparisons.

Numerous algorithms could be used; the methodology that Fiscal staff uses to impute the actual fiscal year-to-date forecast amount for each revenue source is similar to an interest rate calculation. Sales tax collections can decline by 1.8% to meet the FY 2022 forecast, given the FY 2021 actual collections. Multiplying this -1.8% growth rate by the FY 2021 actual year-to-date amounts results in the imputed forecast year-to-date amounts for each revenue source. This is why the growth rates in the second green column on page 98 match those from Table 1 ([Exhibit A](#)).

The actual FY 2022 year-to-date collections for sales tax are approximately \$1.18 billion while the estimated year-to-date forecast is only \$923.8 million (page 98, [Exhibit A](#)). Thus, year to date through the first nine months, sales tax collections are estimated to be approximately \$260.7 million above the forecast for the State 2% Sales Tax.

The Insurance Premium Tax and MBT have three quarters of actual collections available (page 98, [Exhibit A](#)). At the December 2021 meeting, there were only five to six months of the monthly collections and one quarter of the quarterly collections. Here, there is a more substantial information set for FY 2022 actual year-to-date collections.

The total for the seven major revenue sources is approximately \$689.6 million above the forecast, year to date (page 98, [Exhibit A](#)). The total for the select non-major revenue sources is approximately \$69.4 million above forecast, year to date. All other revenue sources are approximately \$39.2 million above forecast, year to date. Note that Table 1 and Table 2 are on gross terms without considering the tax credits that affect individual revenue sources. This is how the individual forecasters and the Forum forecast these

revenue sources. Based on the known actual collections through May 2022—9 to 11 months of the monthly revenue sources and 3 quarters of the quarterly revenue sources and no information on annual taxes—using the methodology to impute a fiscal year forecast into its monthly or quarterly counterpart, Nevada is approximately \$798.1 million above the forecast. This is a relatively large number, especially considering the forecast of approximately \$4 billion. This will be a larger number when the end of FY 2022 is completed and reported.

Table 3 shows how much remains to be collected, given what is known year to date, compared to the total fiscal year (page 99, Exhibit A). The orange block shows what is left to be collected. To meet the forecast, approximately \$117 million is needed in sales tax collections, which is not much. The amount of actual collections could continue to increase. Because March, April, and May 2021 set records for growth in gaming percentage fees and sales taxes, the year-over-year comparisons will get more difficult.

Tables 4, 5, and 6 show the net amounts after the tax credits have been included (page 100, Exhibit A). A tax credit can be taken against one or more of: the Gaming Percentage Fee Tax, the Insurance Premium Tax, and the MBT. Some tax credits can only be taken against the Insurance Premium Tax and the MBT. The dollar difference of actual minus forecast collections in the bottom right of Table 5 shows the same \$798.1 million. Mathematically, this must occur; reporting collections in gross terms and then subtracting the credits or reporting collections in net terms should produce the same bottom line.

Staff uses Table 6 to keep track of tax credits as they occur (page 102, Exhibit A). All tax credit programs and their respective revenue sources are listed for FY 2021 actual collections, FY 2021 year-to-date actual collections, and FY 2022 year-to-date actual collections.

MR. LEAVITT:

There are many factors here: stimulus payments being spent, the pandemic going through and then diminishing, and entering a period of high inflation. The question is how much each of these things will affect future forecasts. Will inflation continue? Will it get worse? What effect does the change in the general economy have? The job of the Forum will not be easy this time, particularly given that some economists are now predicting a recession soon. This combination makes for an interesting autumn for the Forum.

CHAIR ROSENTHAL:

I agree. It is shocking to see the magnitude of the differences. Historically, the Forum has had exceptionally low forecast error, but there was much uncertainty at the time these forecasts were set. The Forum's job may not be much easier this fall, but at least the forecast error is to the upside rather than the downside.

MR. LEAVITT:

What is the status of the Rainy Day Fund?

MR. GUINDON:

The Controller is required to withhold 1% of the Economic Forum's net forecast for each fiscal year and place it in the Account to Stabilize the Operation of the State Government for the State General Fund—also known as the Rainy Day Fund. When the actual ending fund balance is known, 40% of any amount above 7% is required to be transferred to the Rainy Day Fund. Because of the economic impact of the pandemic, the actual collections for FY 2021 came in above forecast and the actual collections for FY 2022 will come in above forecast. There have been significant transfers under this 40% over 7% regulation. As of today, the state Rainy Day Fund balance is approximately \$437.6 million.

CHAIR ROSENTHAL:

That is more than recovered from the amount depleted during the pandemic, correct?

MR. GUINDON:

Yes, that is correct. If that is not true yet, it will be true after the addition of 40% of any ending balance over 7% above the forecast for FY 2022. For example: if the General Fund revenues finish \$800 million above the forecast, that would be an additional \$320 million transfer. That would bring the Rainy Day Fund balance over \$700 million. Given that there is still uncertainty in the economy with the U.S. Federal Reserve Bank attempting to execute a soft landing, having a large balance in the Rainy Day Fund could be useful.

The December 2022 and May 2023 forecast cycle could be as interesting—and difficult—as the December 2020 and May 2021 cycle.

There was no further discussion on this agenda item.

X. PRESENTATION OF HISTORICAL TAXABLE SALES, GAMING MARKET, AND COMMERCE TAX STATISTICS.

RUSSELL GUINDON (Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB):

Many of the charts and tables included as links on the Nevada Legislature's website were created at the request of the Economic Forum during the Great Recession. The gaming market statistics are published publicly by the Gaming Control Board (GCB); they are charted and included here for reference. Much of the gaming data is reported monthly,

however, it is charted here on a quarterly basis to smooth out some of the noise, making the trends easier to see.

Many charts are included on taxable sales by county on a monthly basis as well as taxable sales for the state as a whole and Clark and Washoe Counties for the major North American Industrial Classification System (NAICS) codes. Information on the Commerce Tax is also included.

All the gaming charts and taxable sales charts have been updated to the latest month of information that has been reported by the GCB or the Department of Taxation. The Commerce Tax charts and tables are the same information prepared and made available to the Forum at the December 2021 meeting because it is a fiscal year tax. These tables will be updated for the October 2022 meeting of the Forum when the actual collections for FY 2022 are available.

It may be necessary to look at some of the updated versions of these charts and tables at the October 2022 meeting. The number of devices—slot machines and gaming table devices—that the GCB has reported, went down to zero at the heart of the pandemic. They have been coming back online but they are still significantly below the number of devices before the pandemic. However, the amount of total gaming win generated is in the billion-dollar range. Historically, there has been a transition from slots to games and now there is somewhat of a swing back to slots in the pandemic. Time will tell what will happen as gaming in Nevada is able to bring back more of the international market that tends to play more table games rather than slots. The peak levels currently being generated are above those from before the Great Recession. Gaming had not recovered between the Great Recession and the pandemic. Now, coming out of the pandemic—and the economy is not yet fully recovered—pre-Great Recession levels of gaming win are being generated. This is an interesting phenomenon.

There is the same thing in taxable sales. For some counties, one cannot tell when the pandemic occurred by looking at the charts. Part of this is due to the marketplace facilitator bill, which expanded the ability to attach the sales tax to online sales; the pandemic pushed consumers to more online sales.

There was no further discussion on this agenda item.

XI. DISCUSSION OF THE REPORT BY THE ECONOMIC FORUM TO THE INTERIM FINANCE COMMITTEE REQUIRED PURSUANT TO NRS 353.228.

RUSSELL GUINDON (Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB):

Under statute, the Chair of the Economic Forum—or staff, as directed by the Chair—is required to make a presentation to the Interim Finance Committee (IFC), the body that administers the state’s budget in the interim between legislative sessions. The next meeting of the IFC is scheduled for June 21, 2022. Staff will work with Chair Rosenthal

to prepare for that presentation. The report is typically a high-level overview and presentation of the tables showing actual collections compared to forecast collections.

There was no further discussion on this agenda item.

XII. INSTRUCTIONS TO THE TECHNICAL ADVISORY COMMITTEE CONCERNING THE GENERAL FUND REVENUE FORECASTS.

RUSSELL GUINDON (Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB):

The Forum decides which revenue source forecasts will be presented at its meetings and the TAC prepares a consensus forecast for all other General Fund revenue sources. The TAC meets before the Forum meetings to develop that forecast which is then presented to the Forum for its consideration. The Forum can then make changes or choose to approve the TAC's forecast.

The forecasters for most of these revenue sources are the agencies responsible for collecting and administering the tax. The other forecasters are the State Economist from the Budget Division of the GFO and staff from the Fiscal Analysis Division of the LCB. For the sales tax and gaming percentage fee tax, Moody's Analytics is under contract to prepare forecasts and present them to the Forum for consideration. Moody's also presents its economic outlooks as well.

Deciding which revenue sources will be considered major today does not obligate the Forum; changes can be made at future meetings. The Forum can also direct the TAC to specifically address any non-major revenue source.

MR. LEAVITT MOVED TO DESIGNATE THE SALES AND USE TAX, THE PERCENTAGE FEE TAX, THE INSURANCE PREMIUM TAX, THE MODIFIED BUSINESS TAX, THE LIVE ENTERTAINMENT TAX, THE REAL PROPERTY TRANSFER TAX, AND THE COMMERCE TAX AS MAJOR GENERAL FUND REVENUE SOURCES, AND TO DIRECT THE TECHNICAL ADVISORY COMMITTEE ON FUTURE STATE REVENUES TO PREPARE A FORECAST FOR ALL REMAINING GENERAL FUND REVENUE SOURCES.

MR. CROME SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Vice Chair Lewis was not present for the vote.)

There was no further discussion on this agenda item.

XIII. DISCUSSION AND RECOMMENDATIONS REGARDING THE ECONOMIC FORUM'S USE OF MOODY'S ANALYTICS AS A PRIVATE FORECAST SERVICE.

CHAIR ROSENTHAL:

Employing the services of Moody's Analytics to provide forecasts and economic outlooks has been an added benefit. Particularly with the uncertainty about future inflation and recession, having the additional insight and commentary from an outside third party on Nevada economics as well as U.S. economics would be helpful. I am in favor of continuing to utilize Moody's.

MR. CROME:

Is this a discussion of whether to use a third party or whether to use Moody's as the third party?

CHAIR ROSENTHAL:

This is a discussion about whether to continue to use Moody's as a third party.

MR. ZAHN:

Moody's has many analysts that cover practically every sector of the economy and every major issuer within each sector of the economy and can provide good insight. The Forum could benefit from that information.

CHAIR ROSENTHAL:

This is different from the rating agency division of Moody's, but the information it has presented in the past has been beneficial.

MR. CROME MOVED TO CONTINUE TO CONTRACT WITH MOODY'S ANALYTICS TO MAKE PRESENTATIONS ON NATIONAL AND STATE ECONOMIES AT THE OCTOBER 2022, NOVEMBER 2022, DECEMBER 2022, AND MAY 2023 ECONOMIC FORUM MEETINGS AND TO CONTINUE TO CONTRACT WITH MOODY'S ANALYTICS TO PREPARE AND PRESENT FORECASTS ON SALES AND GAMING TAXES.

MR. ZAHN SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY. (Vice Chair Lewis was not present for the vote.)

There was no further discussion on this agenda item.

XIV. SCHEDULING OF FUTURE ECONOMIC FORUM MEETINGS.

RUSSELL GUINDON (Chief Principal Deputy Fiscal Analyst, Fiscal Analysis Division, LCB):

The Forum meeting for October of even-numbered years is generally held in mid-October after the actual collections for the fiscal year are finalized. Although the fiscal year ends on June 30, the fiscal year is not officially closed from an accounting perspective until the third Friday in September. After that, all the tables and charts can be updated.

The Forum meeting in October will be informational; forecasts will not be presented.

The Forum meeting for November of even-numbered years is generally held shortly after the general election.

The Forum must prepare the forecast on or before December 3. However, because December 3, 2022, is a Saturday, the Forum may choose to meet on Monday, December 5, 2022, or Tuesday, December 6, 2022.

The next meeting of the Economic Forum was not scheduled.

XV. PUBLIC COMMENT.

There was no public comment.

XVI. ADJOURNMENT.

Chair Rosenthal adjourned the meeting at 11:50 a.m.

Respectfully submitted,

Anna Freeman, Committee Secretary

APPROVED:

Linda Rosenthal, Chair

Date

Copies of exhibits mentioned in these minutes are on file in the Fiscal Analysis Division at the Legislative Counsel Bureau, Carson City, Nevada. The division may be contacted at (775) 684-6821.



Nevada's Employment Update

Presentation to Economic Forum

October 2022

Elisa Cafferata, Director

Chris Sewell, Deputy Director

David Schmidt, Chief Economist

Prepared by the Research & Analysis Bureau

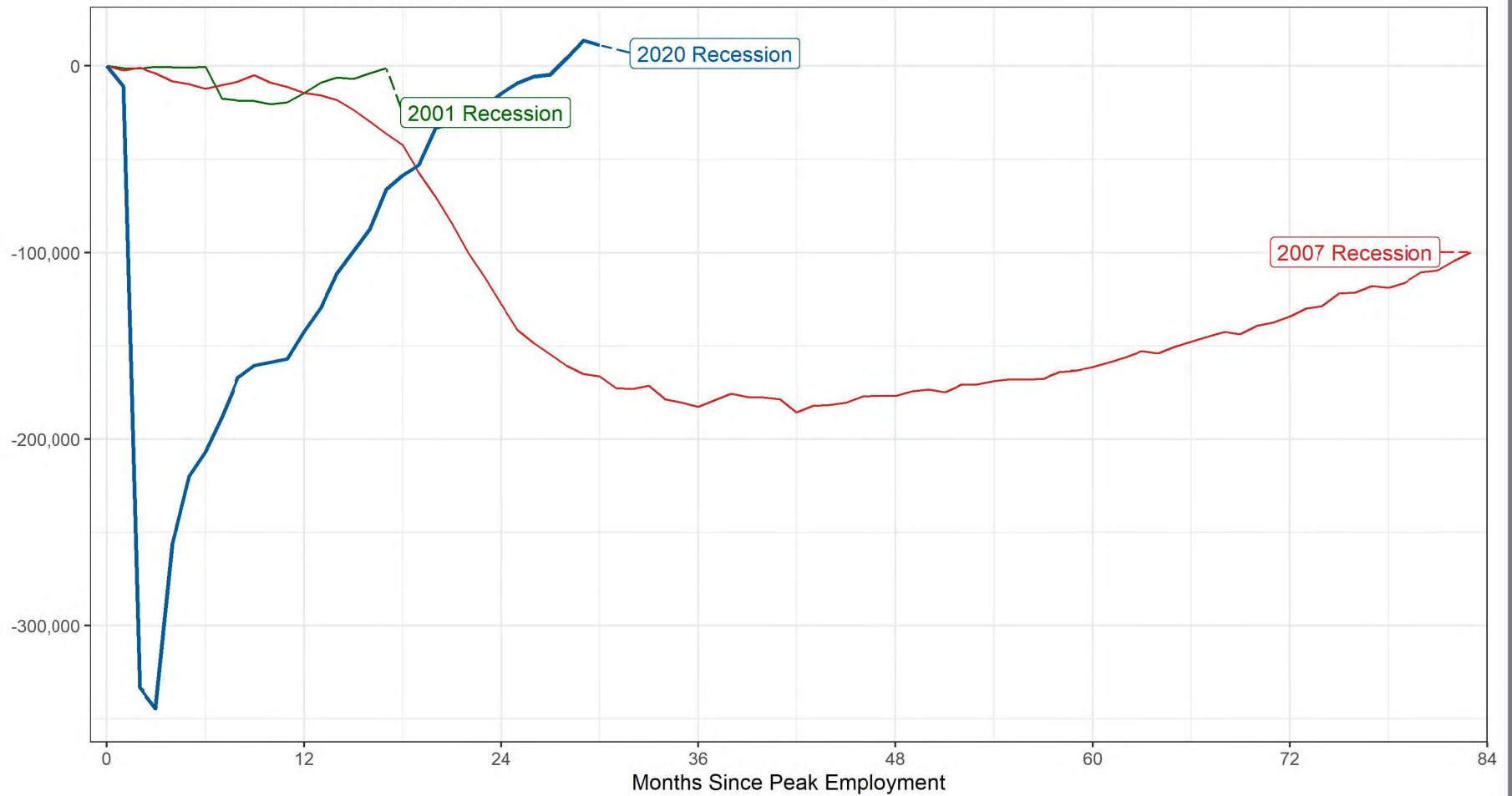


NevadaWorkforce.com



Employment has Fully Recovered

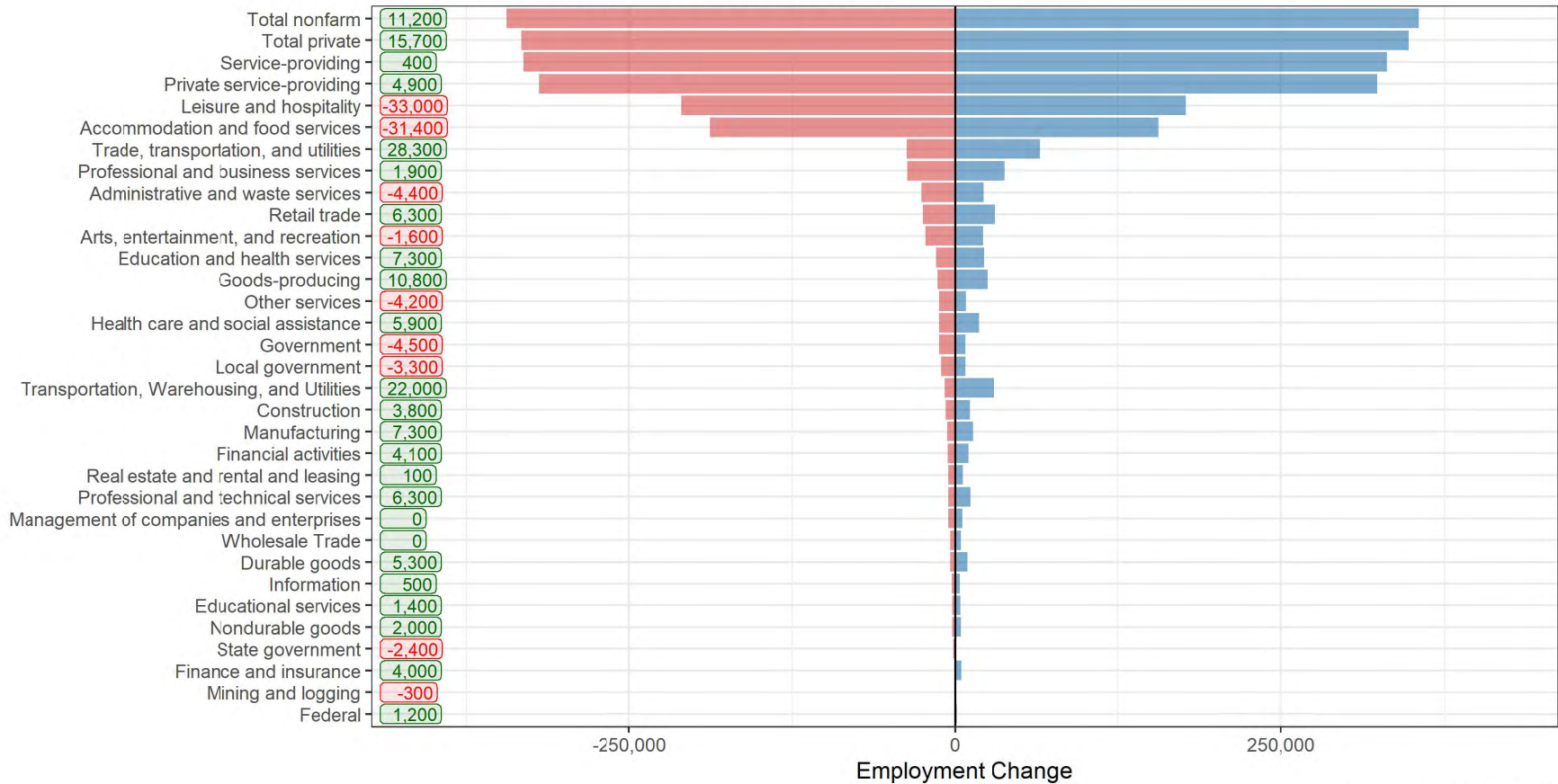
Job Loss Since Peak Employment



Most Industries Have Recovered

Jobs Lost and Gained, Nevada

Jobs Lost Feb 2020 to May 2020, Gained May 2020 to August 2022

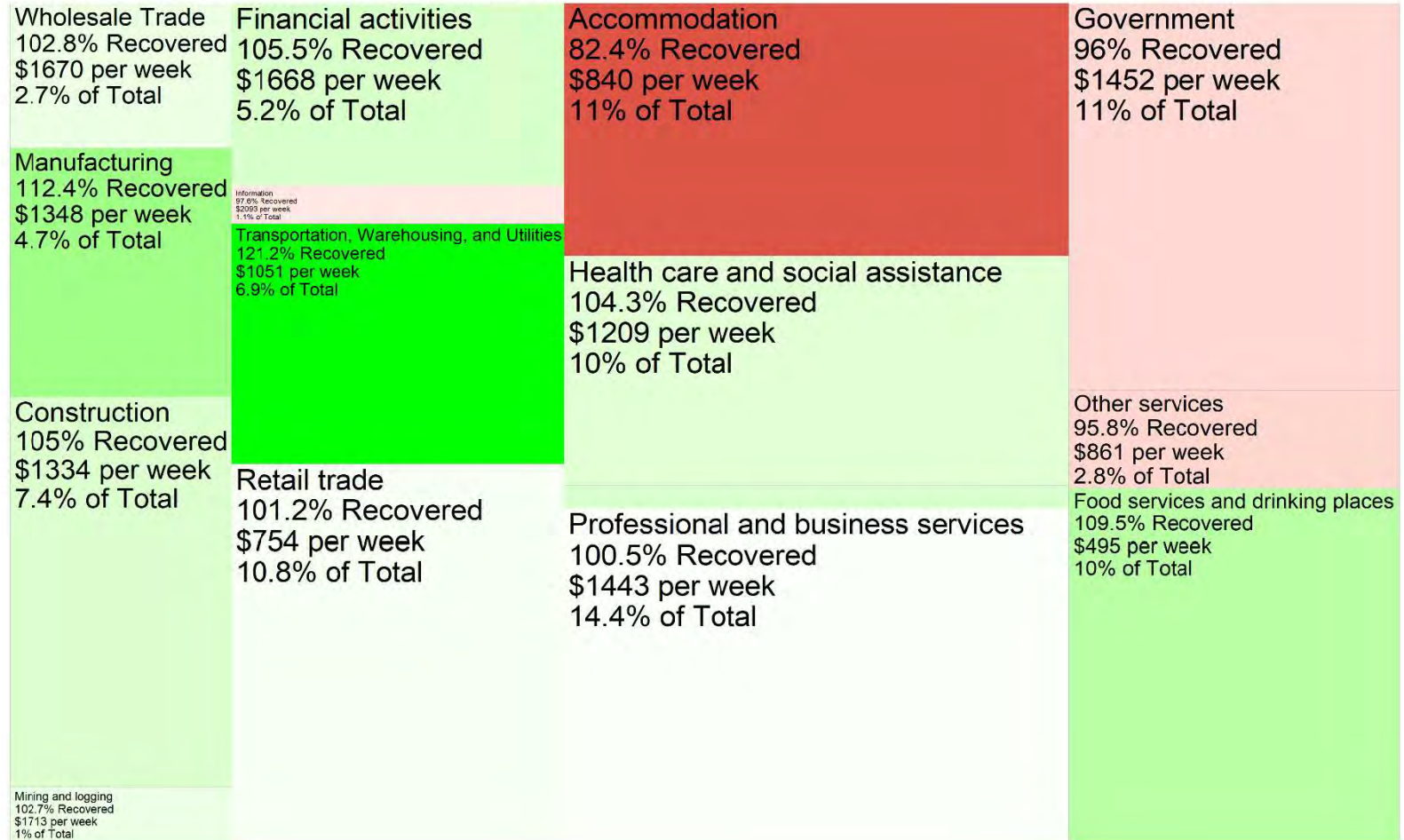


Seasonally Adjusted Data

And Recovering Industries Pay More

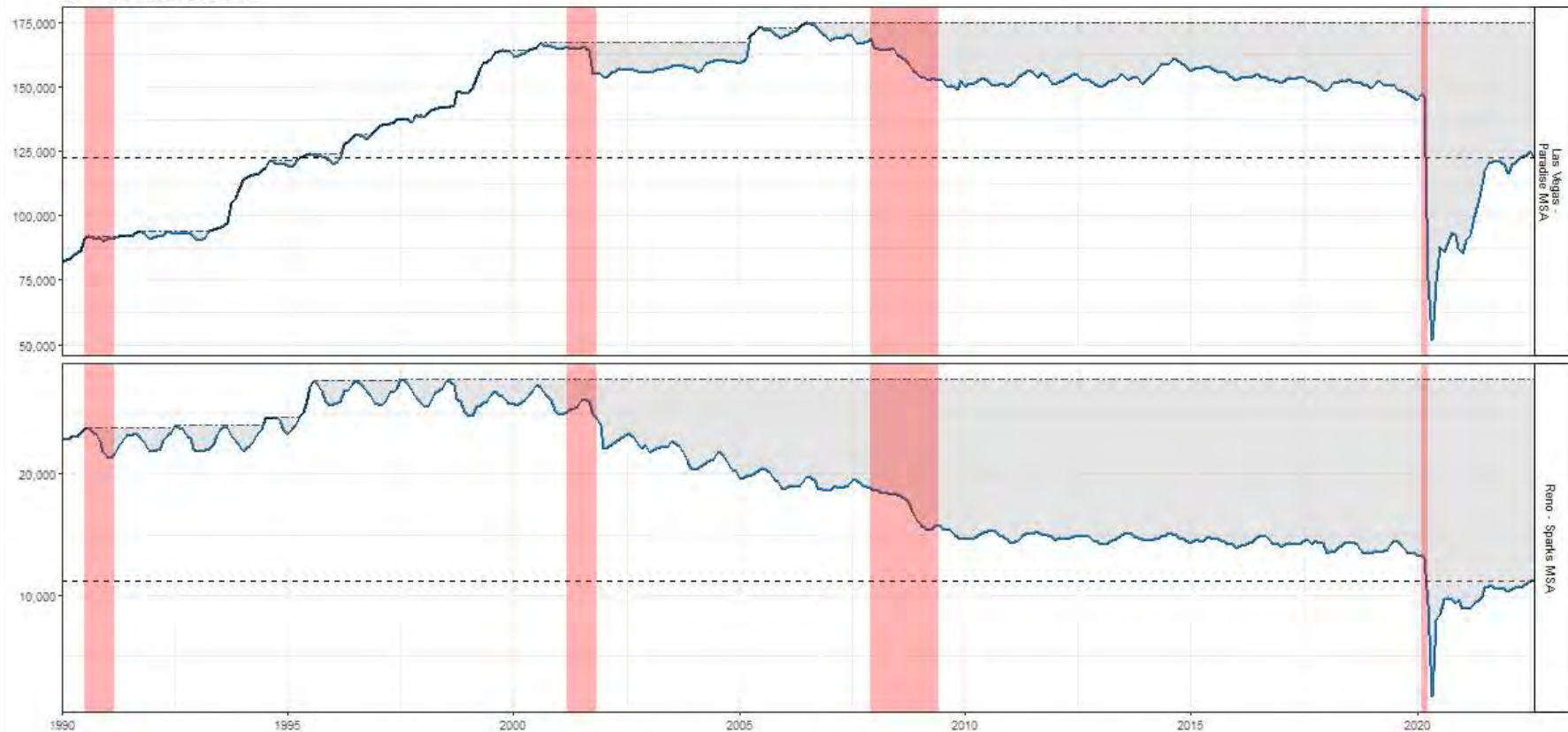
Nevada Employment Recovery: August 2022

Area shows monthly employment, color shows employment recovery



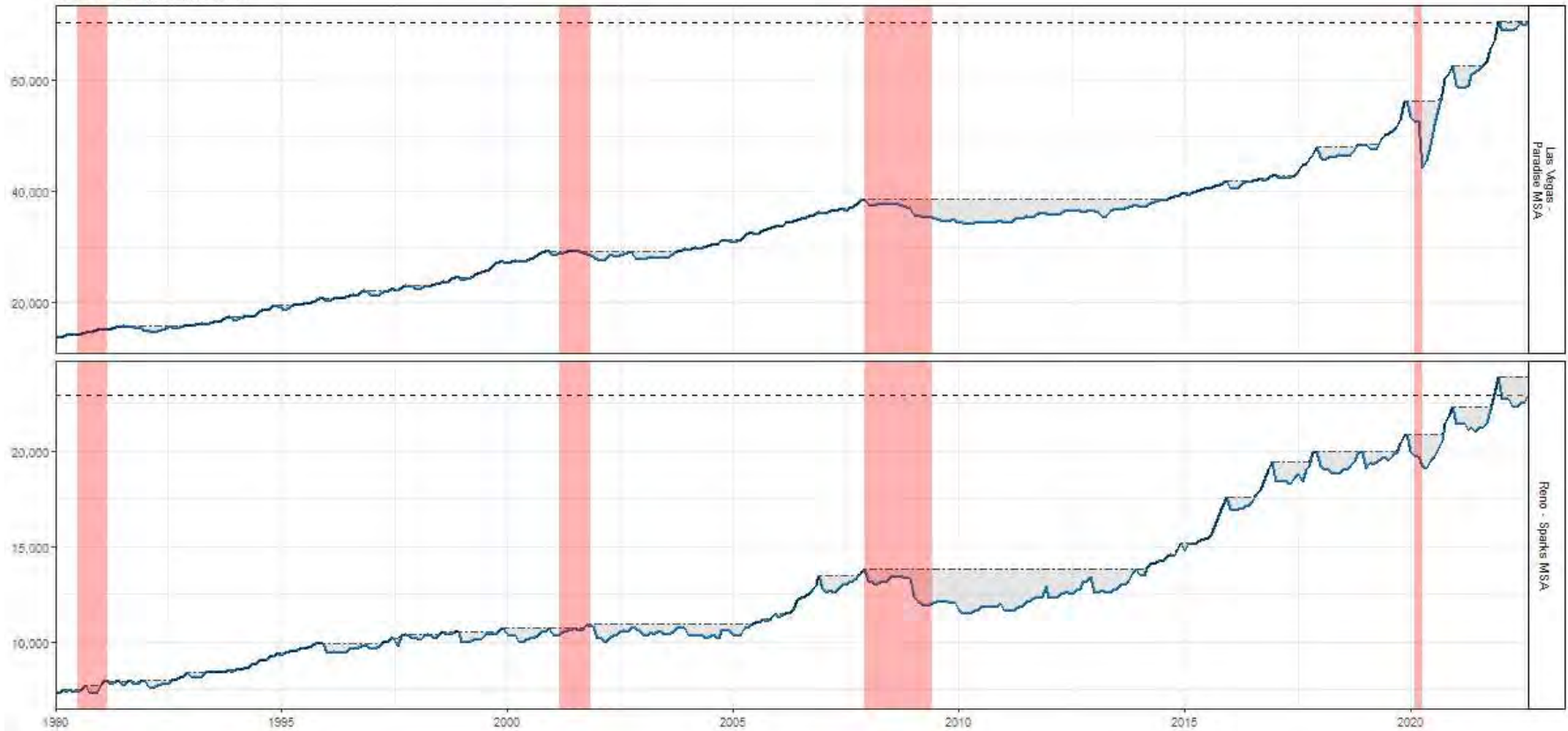
Casino Hotel Employment is Flat

Casino Hotels Employment Compared to Series Peak
Red areas indicate recessions



Logistics Employment is Rising

Transportation, Warehousing, and Utilities Employment Compared to Series Peak
Red areas indicate recessions



Manufacturing is Strong

Manufacturing Employment Compared to Series Peak
Red areas indicate recessions



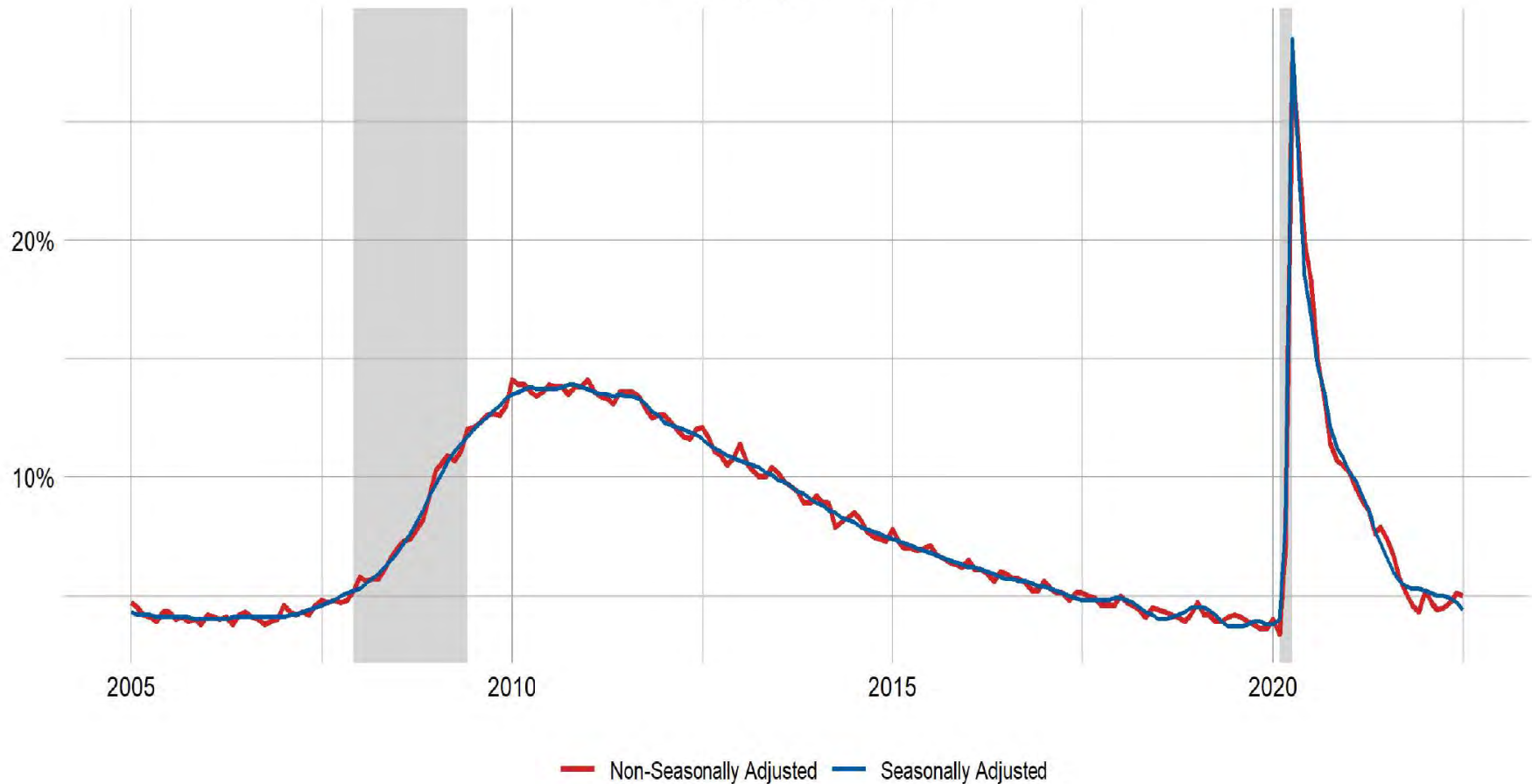
Construction is Rising, but not like 2005

Construction Employment Compared to Series Peak
Red areas indicate recessions



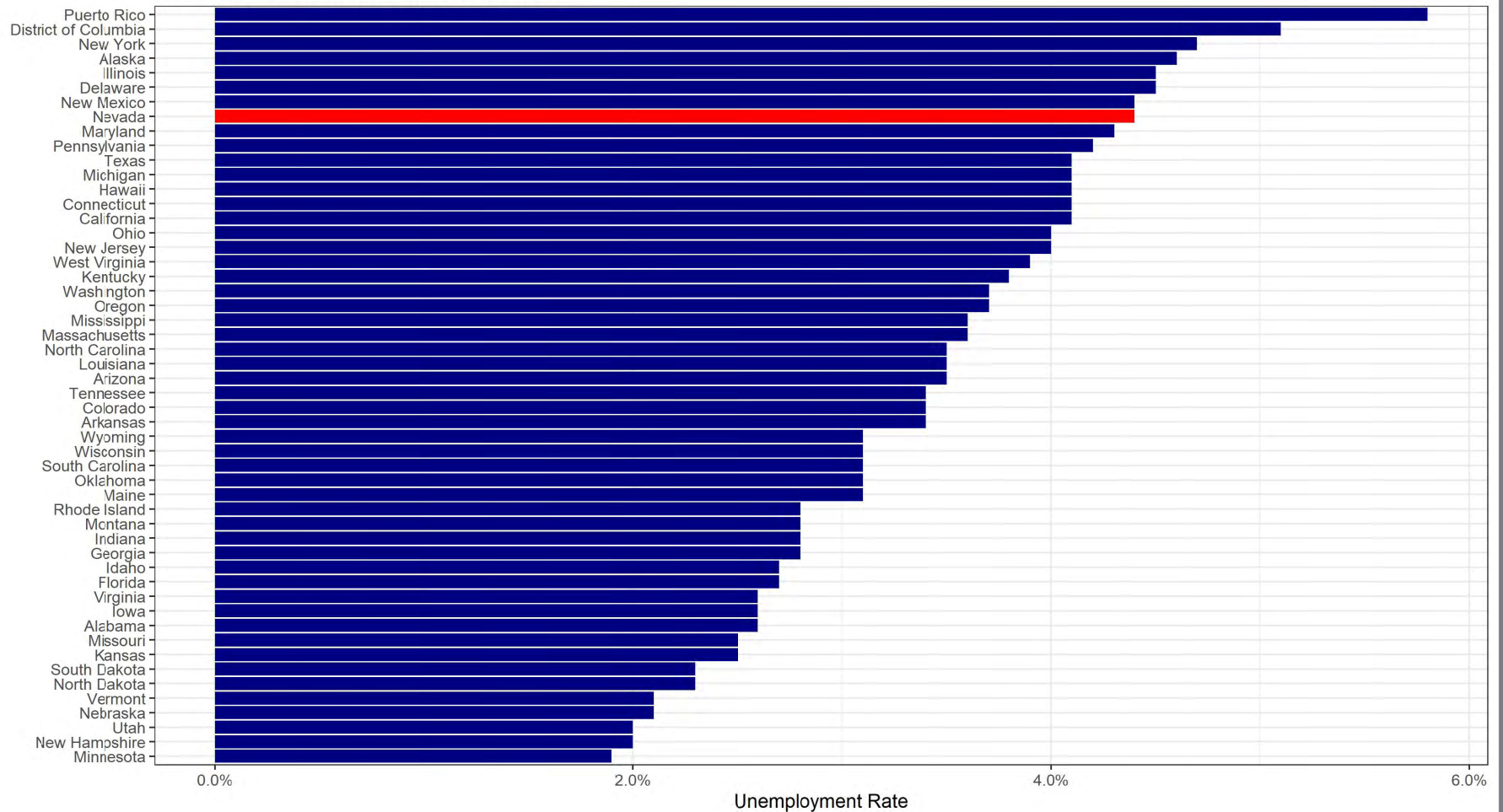
Unemployment is Generally Low

Unemployment Rate



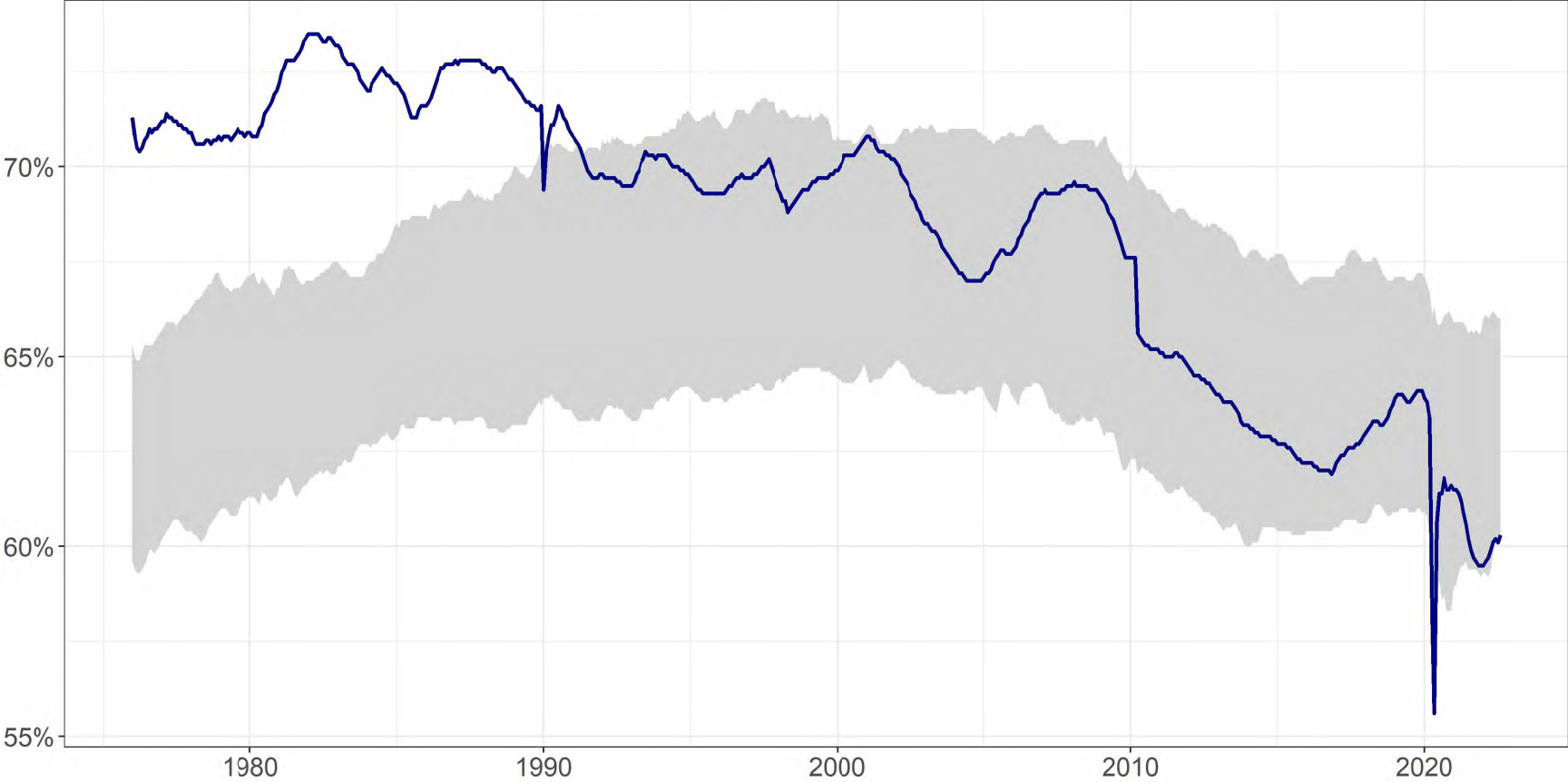
Unemployment is Higher than Most States

Unemployment Rate Ranking by State



Labor Force Participation is Low but Rising

Labor Force Participation Rate for Nevada and Other States
Grey area represents 20th to 80th percentile for all states



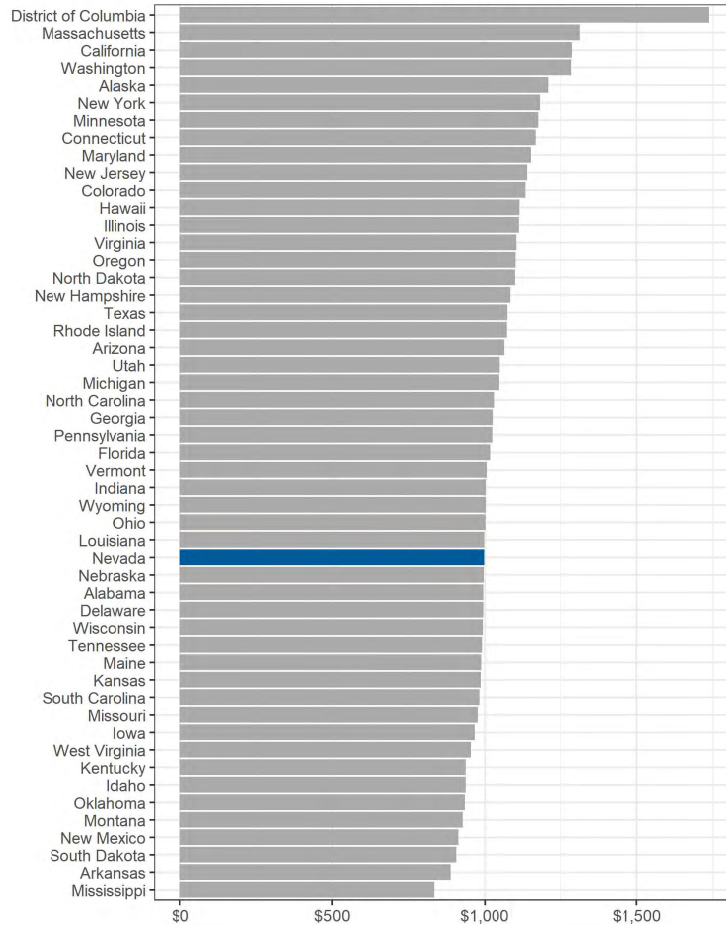
NevadaWorkforce.com



Wages are Rising Significantly

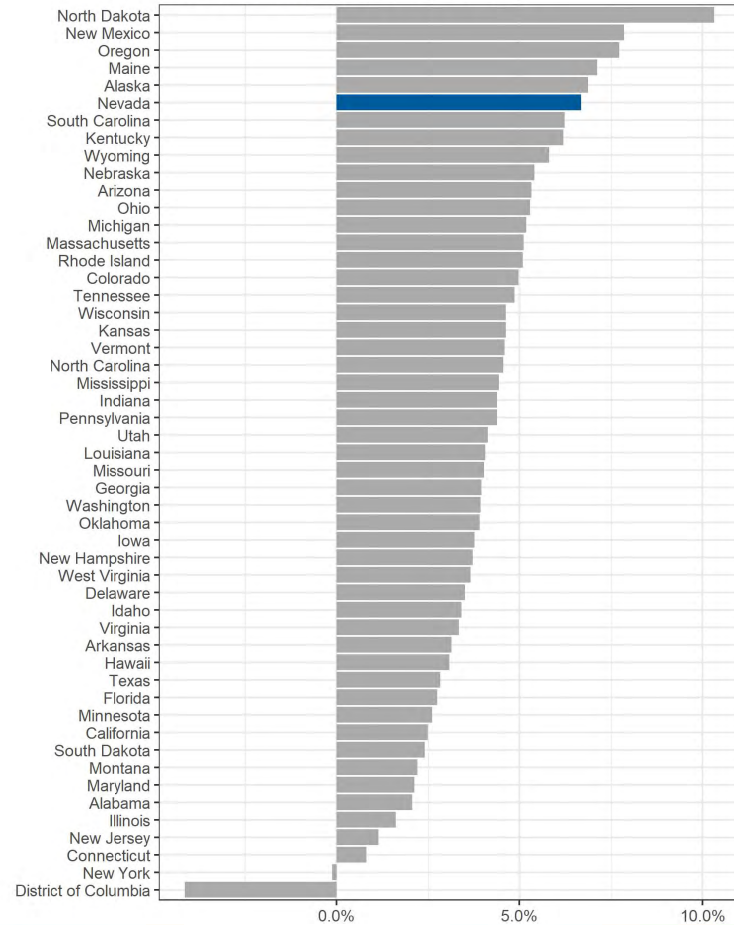
Total Private Hours and Earnings

Nevada is \$996.48 and ranks 32nd of 51 states.



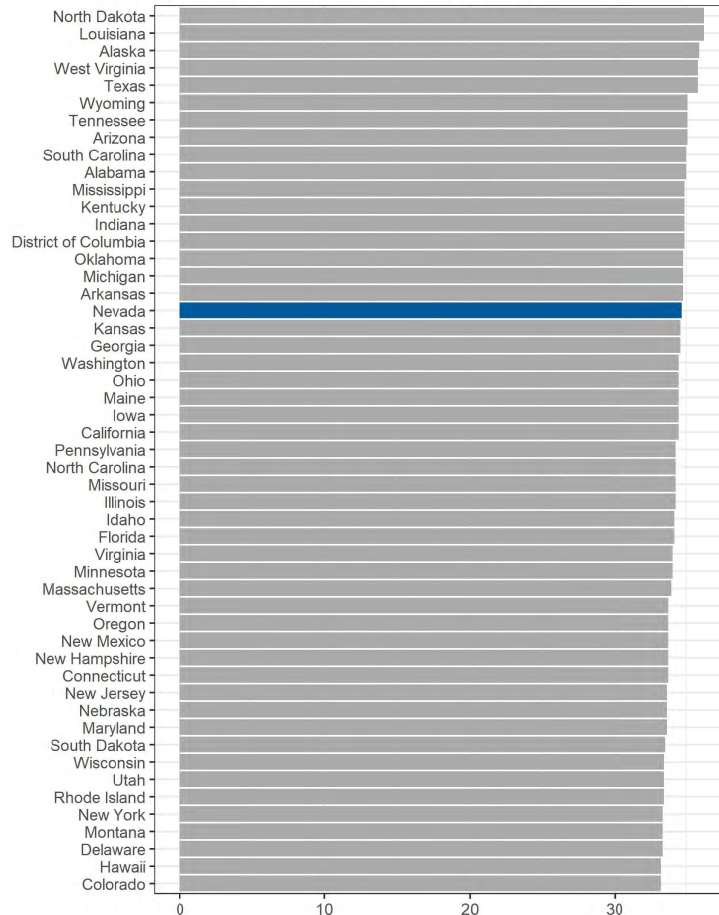
Annual Change, 3-Month Average

Nevada is 6.7% and ranks 6th of 51 states.

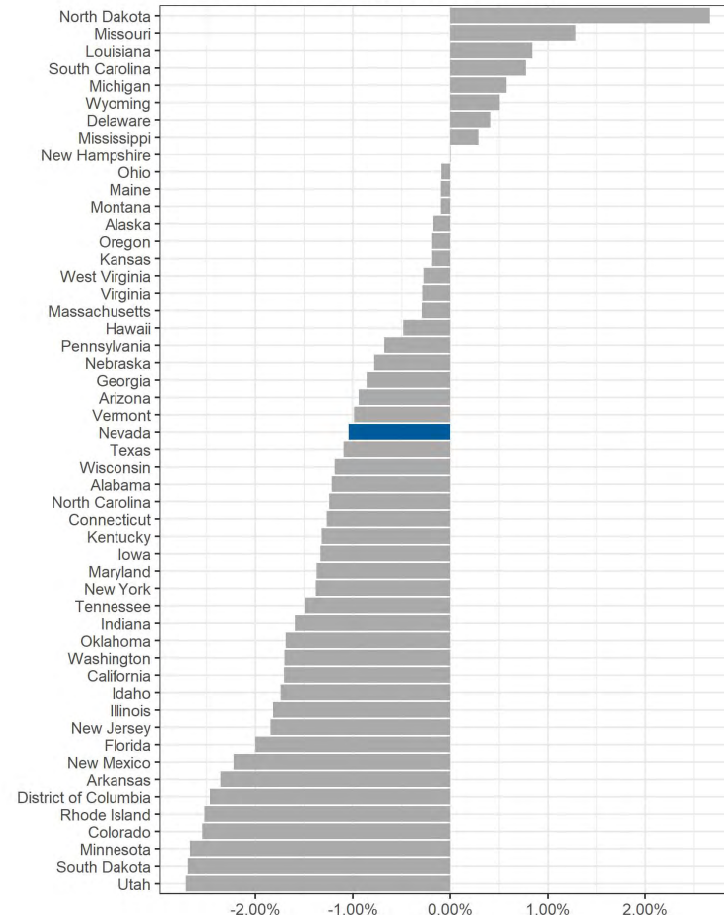


Hours Worked Have Declined

Average Hours Worked, All Employees
Nevada is 34.6 and ranks 18th of 51 states.



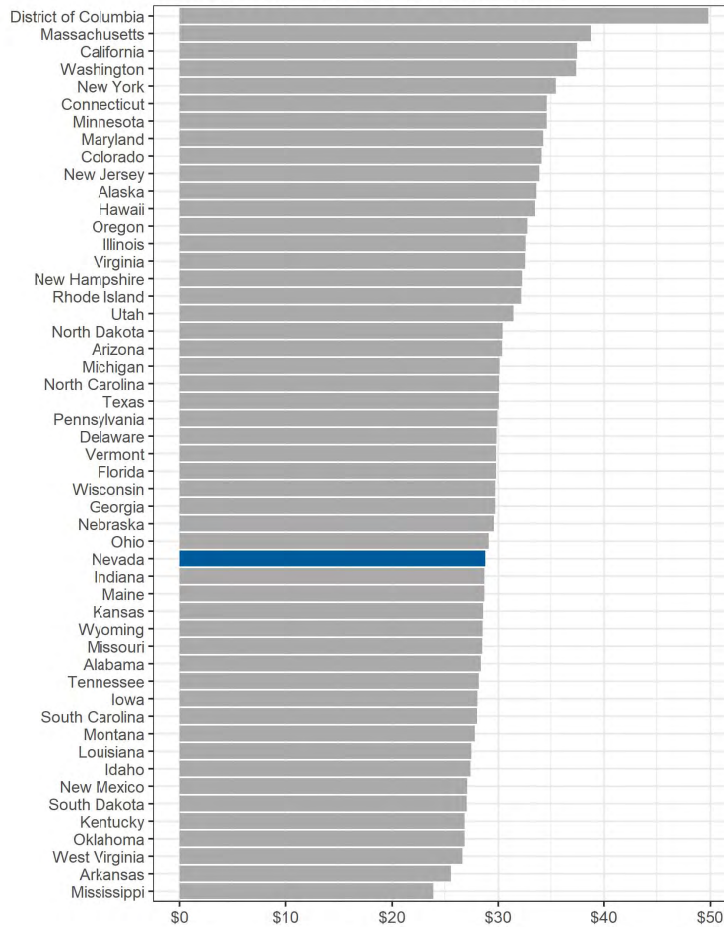
Annual Change, 3-Month Average
Nevada is -1.0% and ranks 25th of 51 states.



But Hourly Wages are Rising Faster

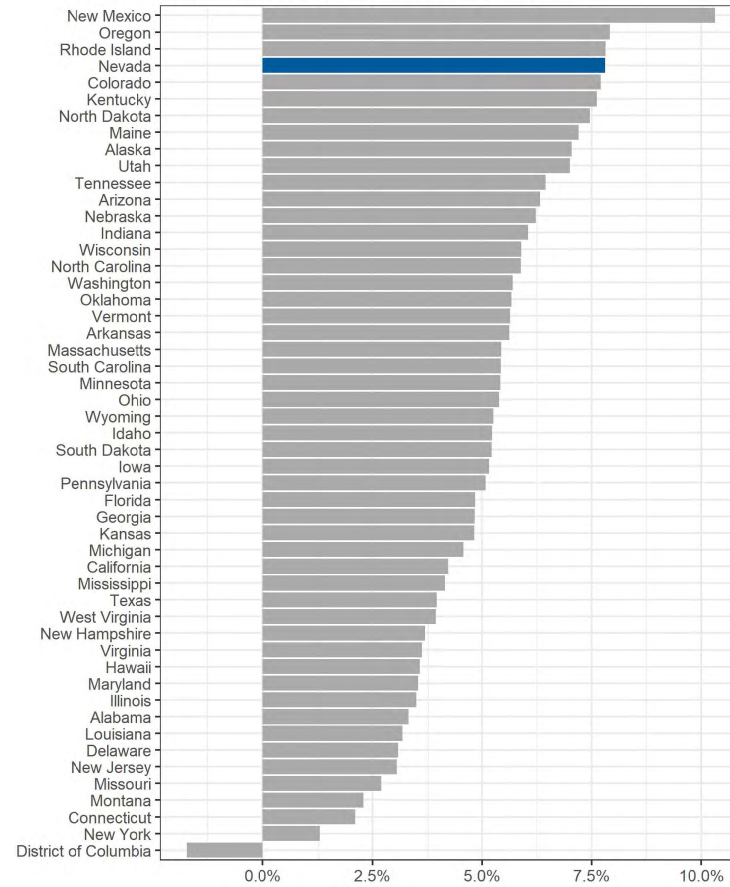
Average Hourly Wage, All Employees

Nevada is \$28.80 and ranks 32nd of 51 states.



Annual Change, 3-Month Average

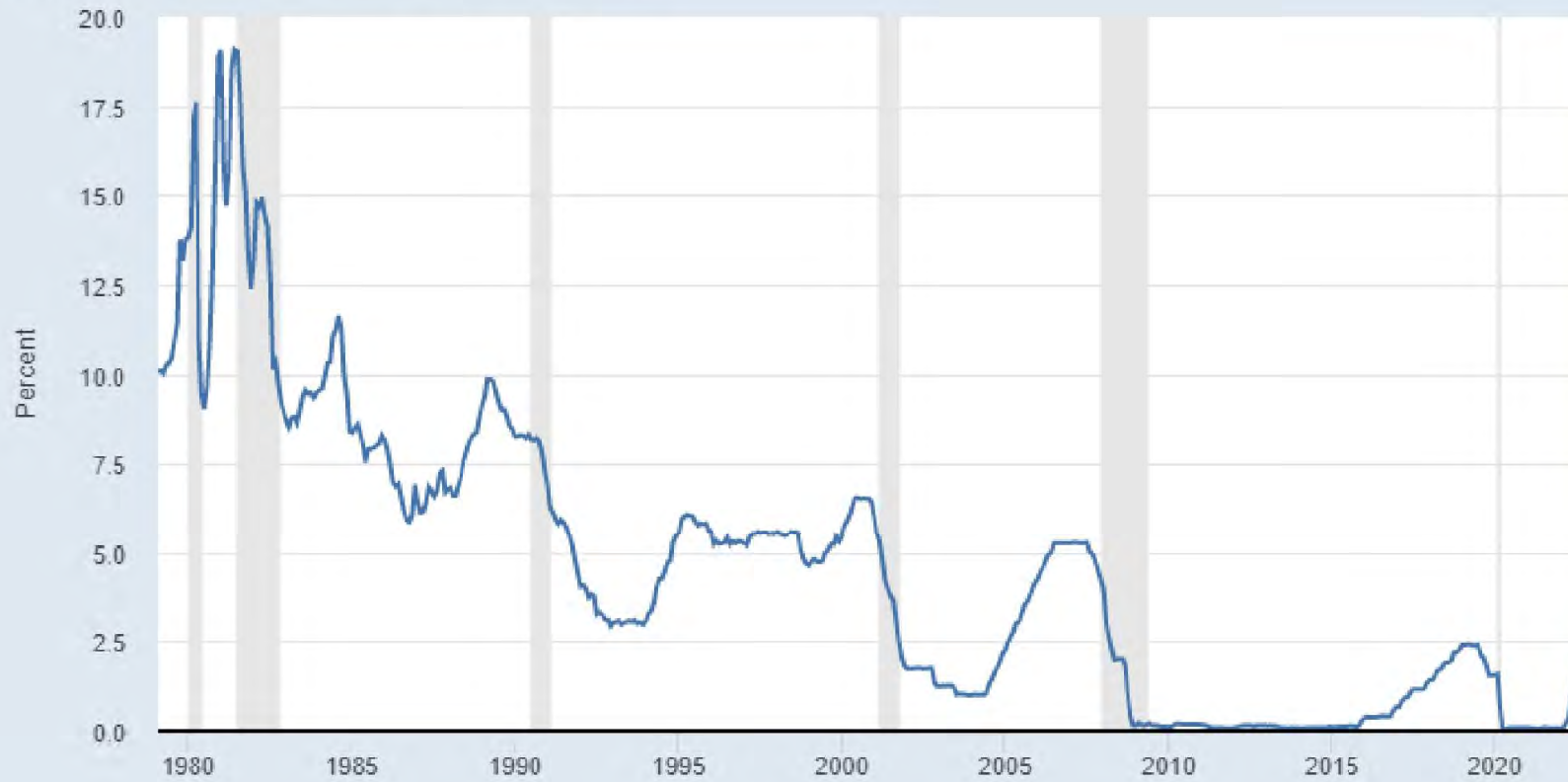
Nevada is 7.8% and ranks 4th of 51 states.



Source: U.S. Bureau of Labor Statistics, Current Employment Statistics Data for August 2022

Interest Rates are Rising Rapidly

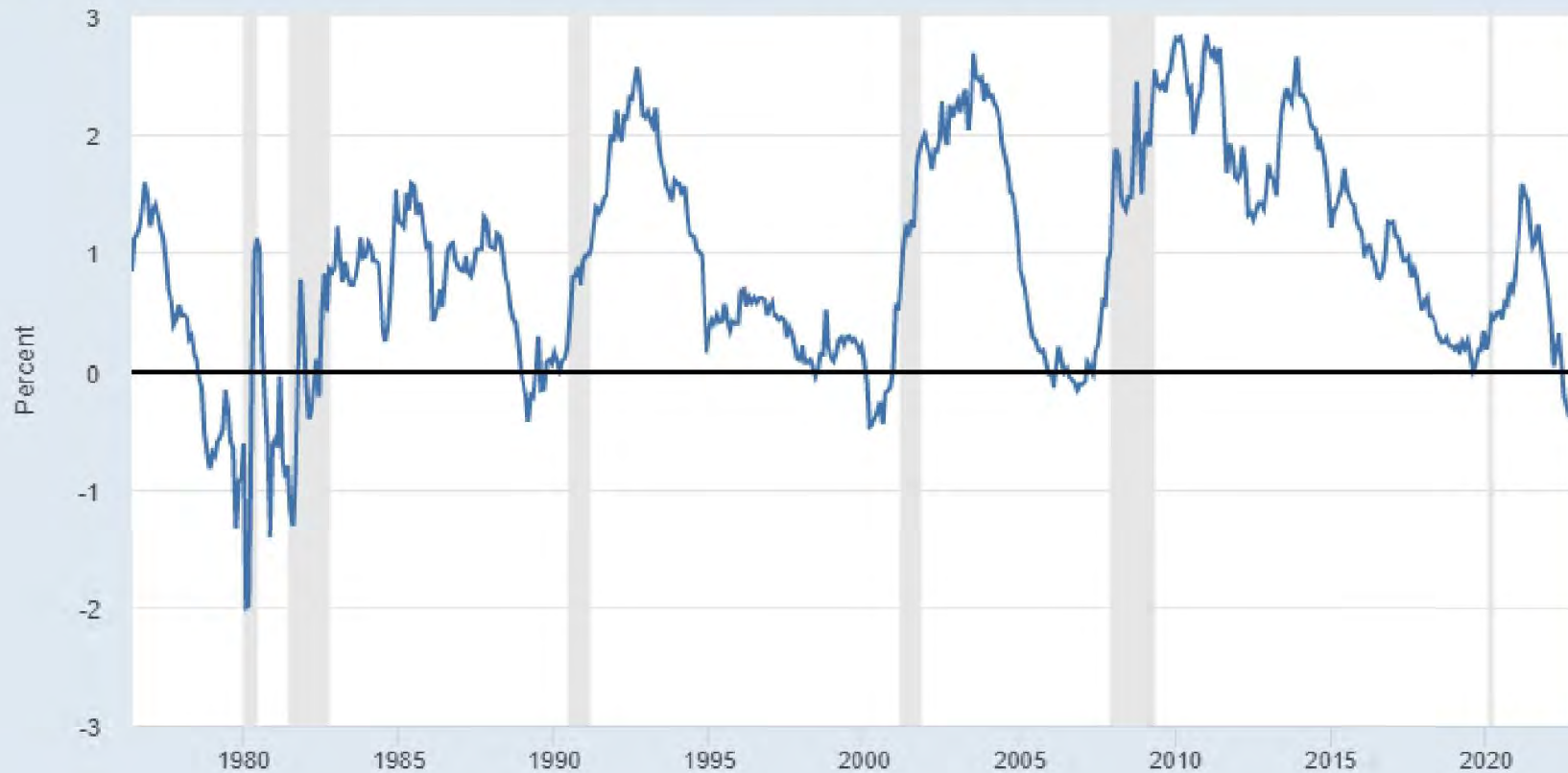
FRED — Federal Funds Effective Rate



Source: Board of Governors of the Federal Reserve System (US)

The 2-10 Yield Curve is Inverted

FRED — 10-Year Treasury Constant Maturity Minus 2-Year Treasury Constant Maturity



Source: Federal Reserve Bank of St. Louis

Concerns of a Recession are Rising

THE WASHINGTON POST MAGAZINE

Ex-Fed economist offers odds on avoiding a recession: 'Less than 50-50'

By KK Ottesen

September 27, 2022 at 8:00 a.m. EDT

Bloomberg

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Markets

Everything-Selloff on Wall Street Deepens on 98% Recession Odds

- Traders fret over strong dollar, earnings outlook, UK turmoil
- Risk of severe global recession is rising, say NDR strategists



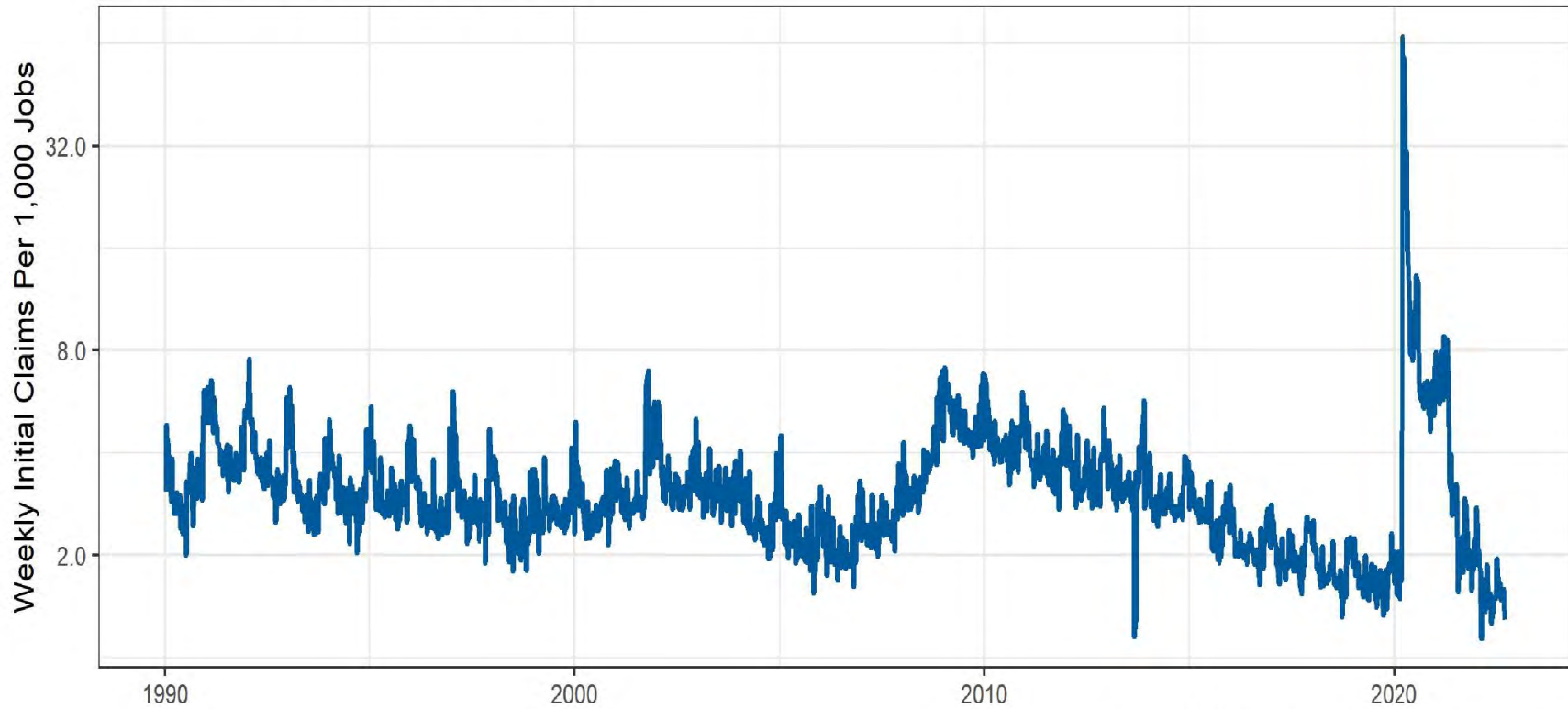
NevadaWorkforce.com



Unemployment Claims are Low

Initial Claims for Unemployment Insurance by Week

Logarithmic scale used to highlight change



Source: U.S. Department of Labor, ETA 539 report

Most UI Measures Steady Over 12 Months

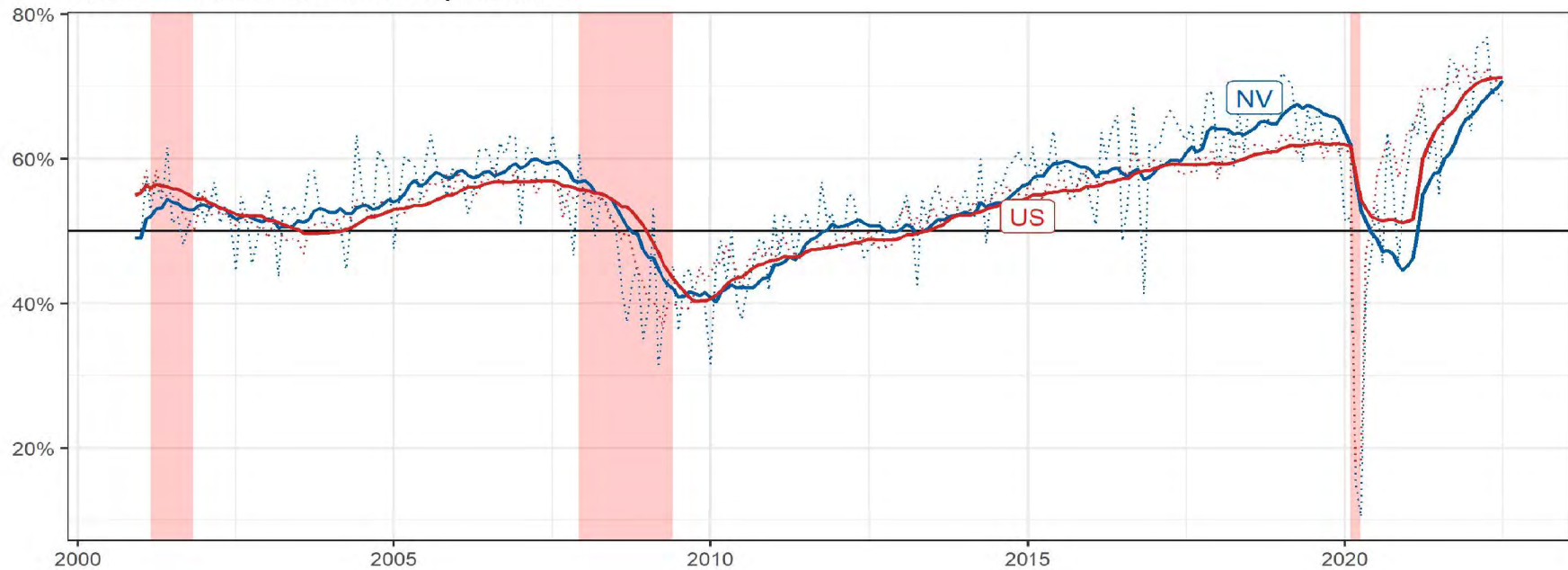
August 2022 Unemployment Insurance Activity

Measure	August 2022	August 2021	% change	July 2022	% change	12 month average
Initial Claims	9,272	7,826	18.5%	9,804	-5.4%	8,955
Weeks Claimed	64,167	146,315	-56.1%	64,812	-1.0%	78,126
Weeks Compensated	59,729	98,934	-39.6%	45,320	31.8%	60,479
Amount Compensated	\$22,597,128	\$45,414,062	-50.2%	\$17,458,105	29.4%	\$21,104,749
Weeks Compensated Total Unemployment	53,409	89,553	-40.4%	41,051	30.1%	53,013
Amount Compensated Total Unemployment	\$21,304,794	\$40,364,136	-47.2%	\$16,517,670	29.0%	\$19,368,548
First Payments	4,532	5,252	-13.7%	4,178	8.5%	3,737
Final Payments (Exhaustions)	1,182	5,238	-77.4%	847	39.6%	1,931
Average Weekly Benefit	\$398.90	\$450.73	-11.5%	\$402.37	-0.9%	\$373.93
Average Duration (in weeks)	14.18	18.10	-21.6%	14.75	-3.9%	14.86
Exhaustion Rate	21.23%	41.19%	-48.4%	23.48%	-9.6%	30.31%

Source: ETA 5159

Quit Rates Remain Very High

Quits as Share of Total Separations

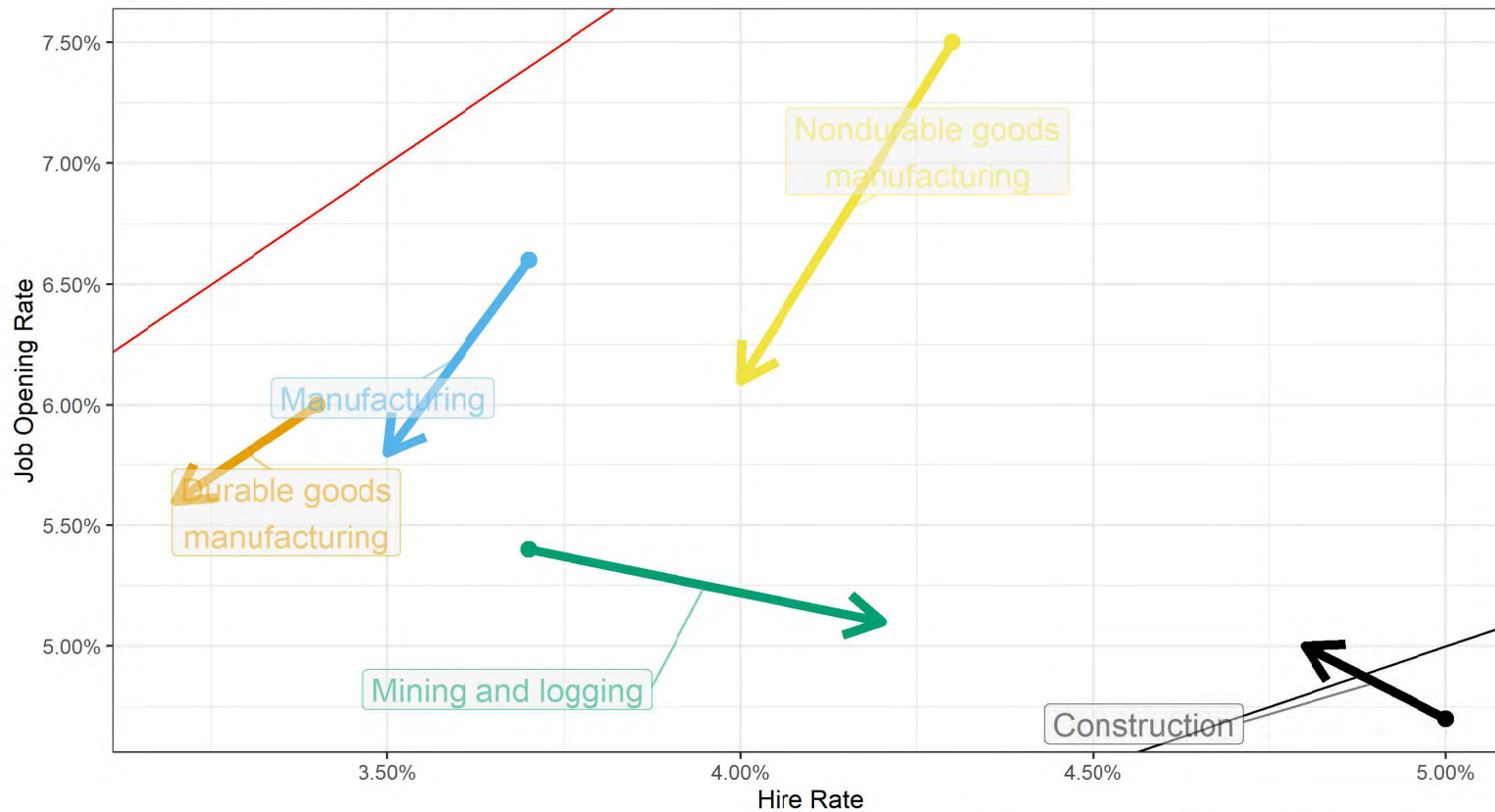


Measure	July 2022	12 Month Average	Series High	High Date	Series Low	Low Date
Hires	74,000	77,083	134,000	June 2020	33,000	June 2009
Job openings	104,000	112,250	123,000	February 2022	18,000	July 2009
Layoffs and discharges	15,000	15,000	246,000	March 2020	10,000	April 2022
Quits	42,000	45,167	62,000	September 2021	14,000	March 2009
Total separations	62,000	63,750	299,000	March 2020	37,000	March 2013

National Loosening of Labor Market?

National Comparison of Hire and Job Opening Rates by Industry

Data for August 2022, black line at 1:1, red line at 2 Openings : 1 Hire
 Arrows show 12-month change

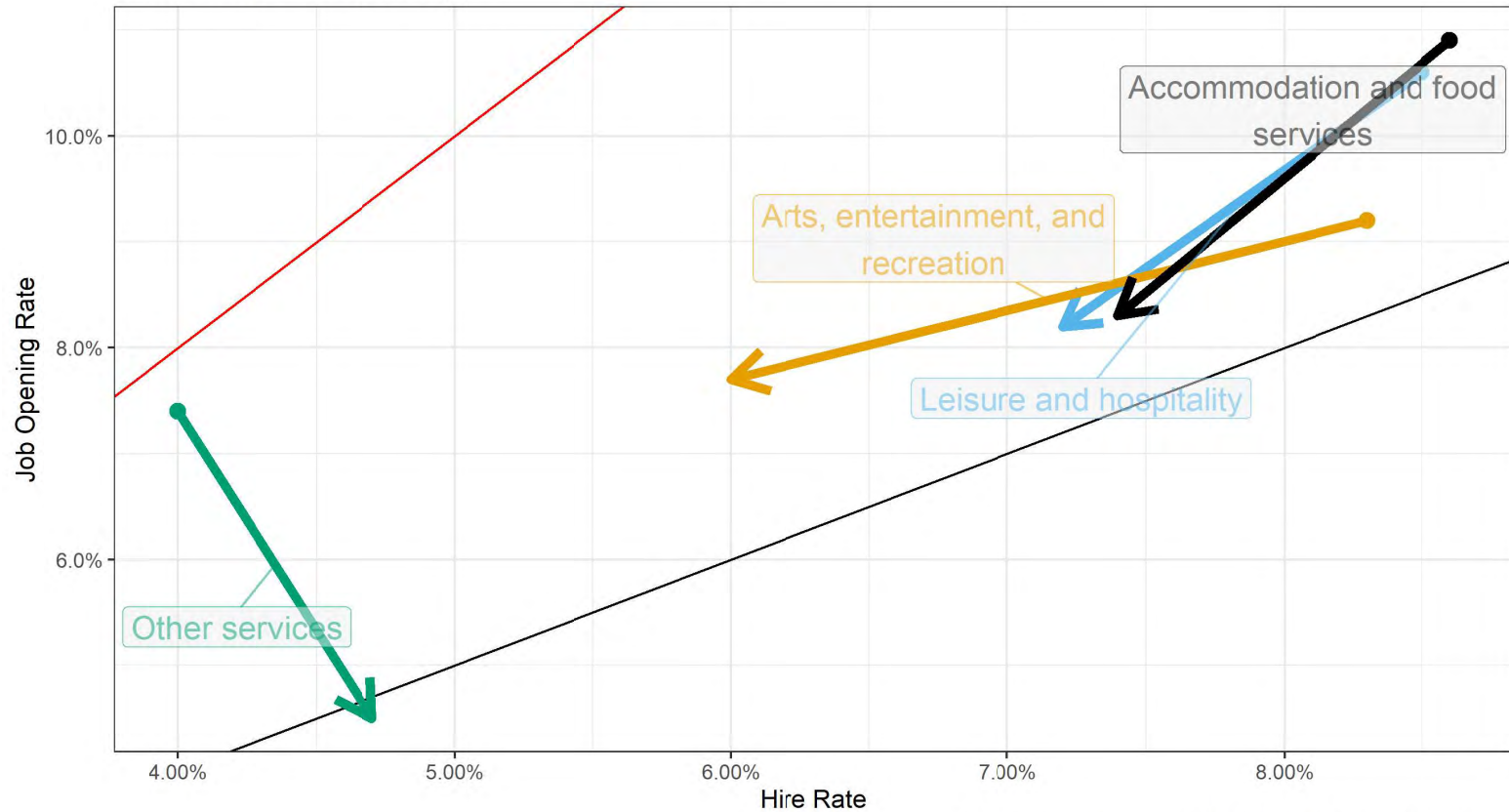


Data from: <https://download.bls.gov/pub/time.series/jt/jt.industry>
 Seasonally adjusted

National Loosening of Labor Market?

National Comparison of Hire and Job Opening Rates by Industry

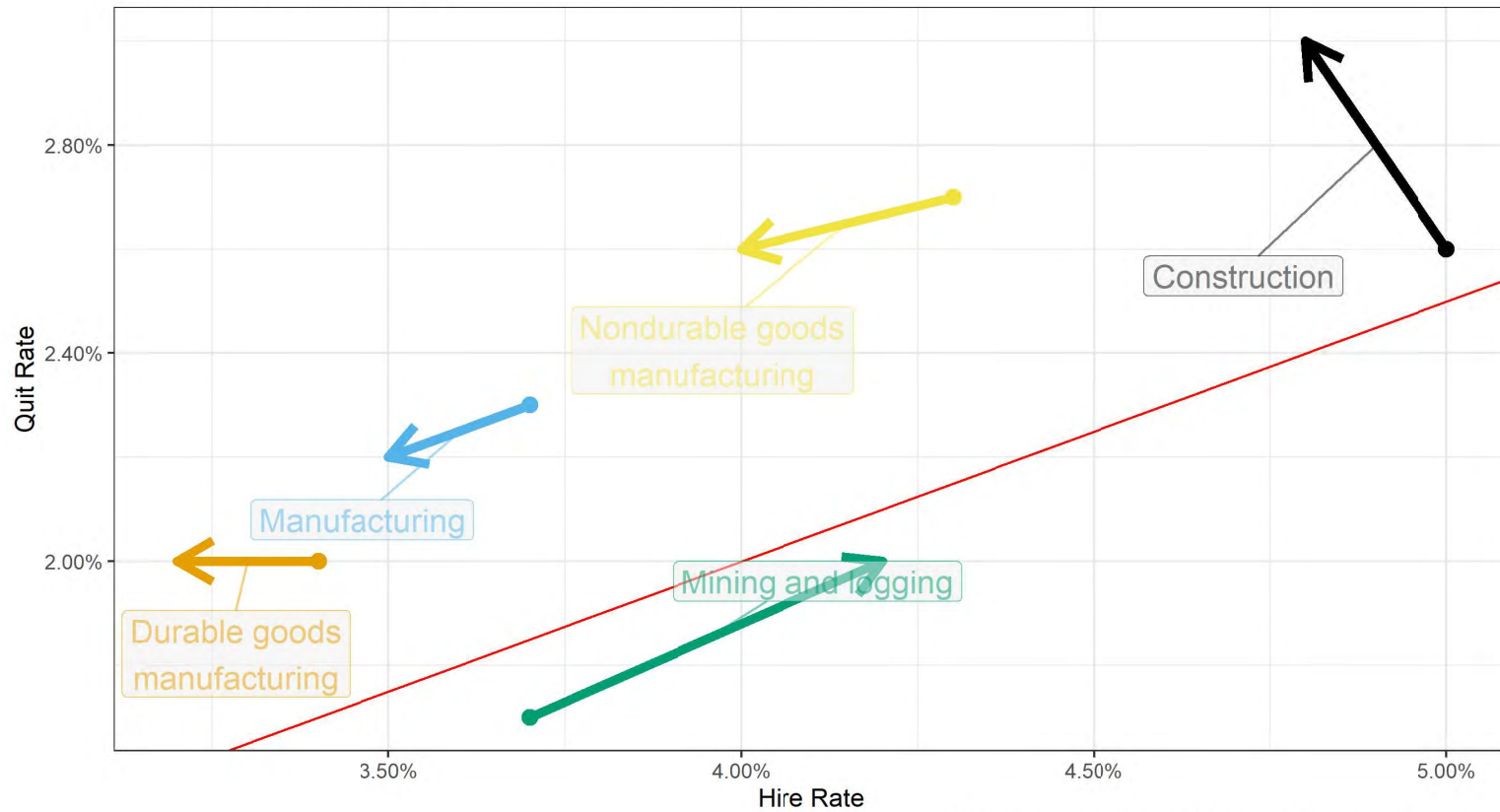
Data for August 2022, black line at 1:1, red line at 2 Openings : 1 Hire
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National Loosening of Labor Market?

National Comparison of Hire and Quit Rates by Industry
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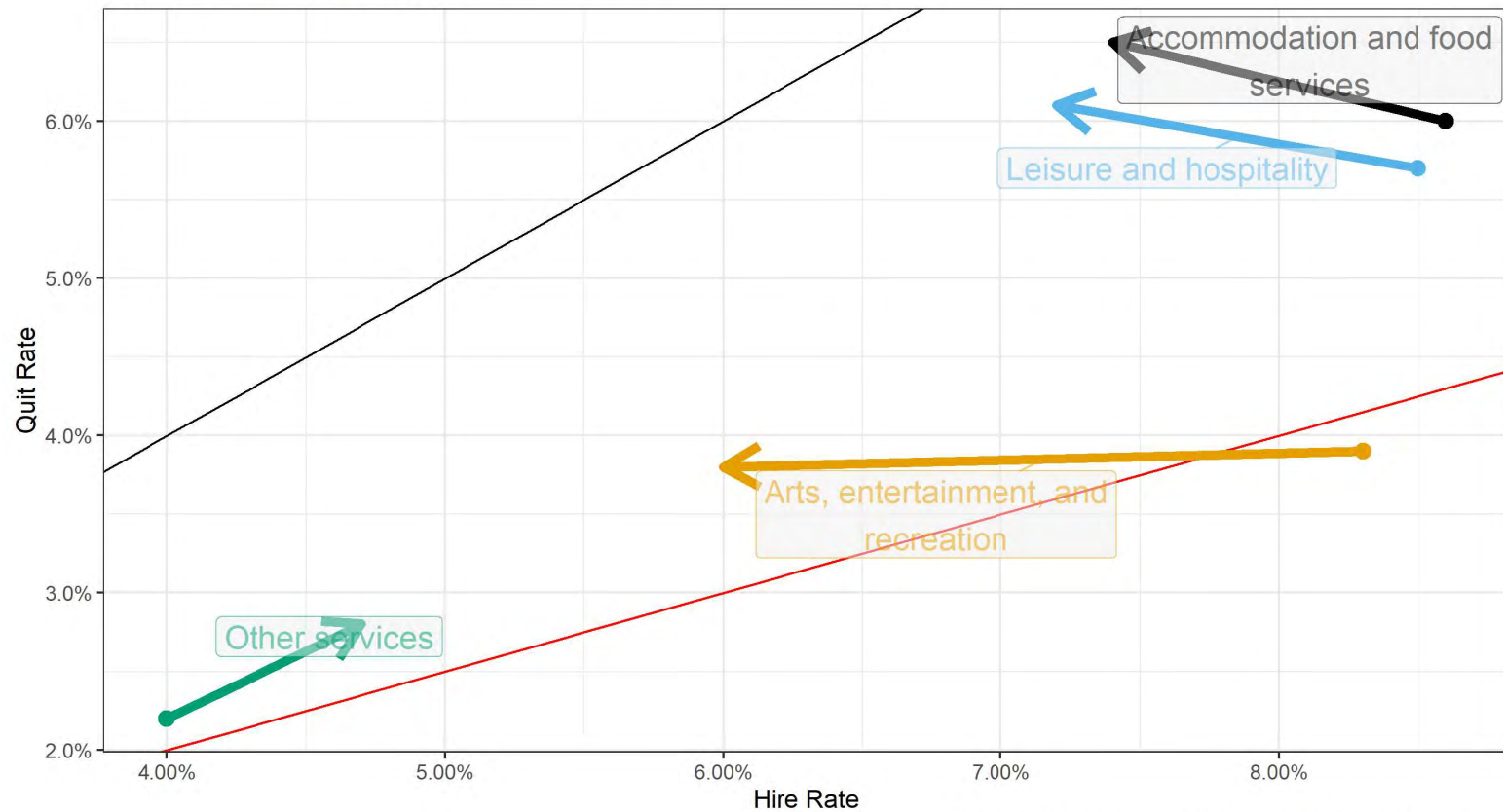


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National Loosening of Labor Market?

National Comparison of Hire and Quit Rates by Industry

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Data from: <https://download.bls.gov/pub/time.series/jt/jt.industry>
Seasonally adjusted

Where Does This Leave Us?

- With the number of jobs having recovered from the pandemic, employment growth is shifting from rapid recovery to normal trend cycle.
- Unemployment is at normal levels, consistent with prior periods of economic strength.
- Unemployment claims are very low, quit rates are high, and wage growth is strong, all suggesting a tight labor market where workers have significant bargaining power.
- National hiring rates and job openings are falling, indicating the potential for labor demand becoming weaker in the near term.



State Population Outlook

**Nevada Economic Forum
October 13, 2022**

Matthew F. Lawton, PMP, GISP
Nevada State Demographer



Agenda

- Components of Change
- Demographic Characteristics
- Population Projections



Components of Change



Components of Change

- Basic Demographic Formula:

$$\text{Population}_{t+1} = \text{Population}_t + \text{Natural Increase}_t + \text{Net Migration}_t$$

t = a point in time

- Components of Change:

$$\text{Natural Increase} = \text{Births} - \text{Deaths}$$

$$\text{Net Migration} = \text{Immigration} - \text{Emigration}$$



National Birth Trends

U.S. Births Increase for First Time Since 2014

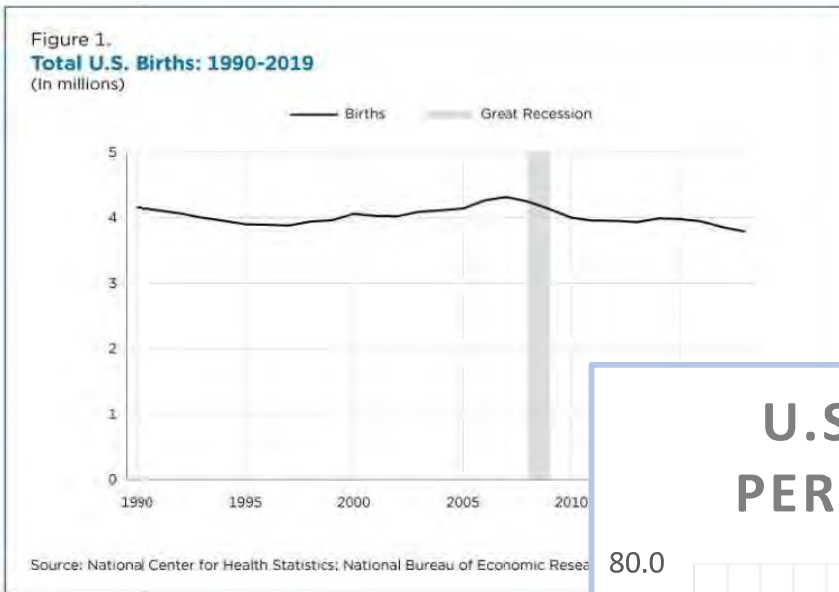
Pandemic baby bust was smaller than expected WSJ, May 24, 2022

U.S. Birthrate Ticks Up 1 Percent, Halting a Steady Decline

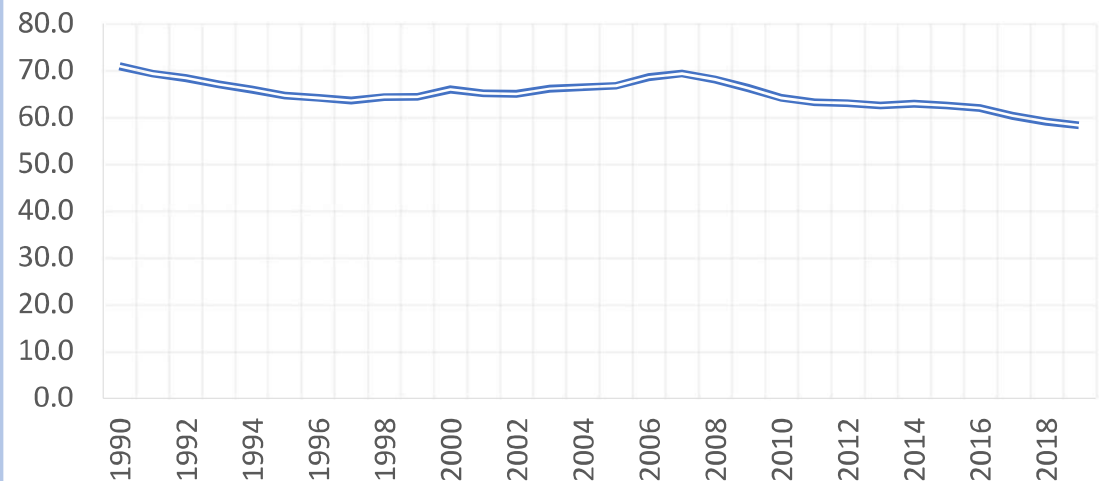
Data from the federal government showed last year's increase was the first since 2014 and followed a sharp drop in 2020, when the coronavirus pandemic hit. NY Times, May 24, 2022



National Birth Trends



U.S. FERTILITY RATE: BIRTHS PER 1000 WOMEN AGE 15 - 44



Source: CDC National Center for Health Statistics



National Birth Trends

- Women waiting longer to have fewer babies

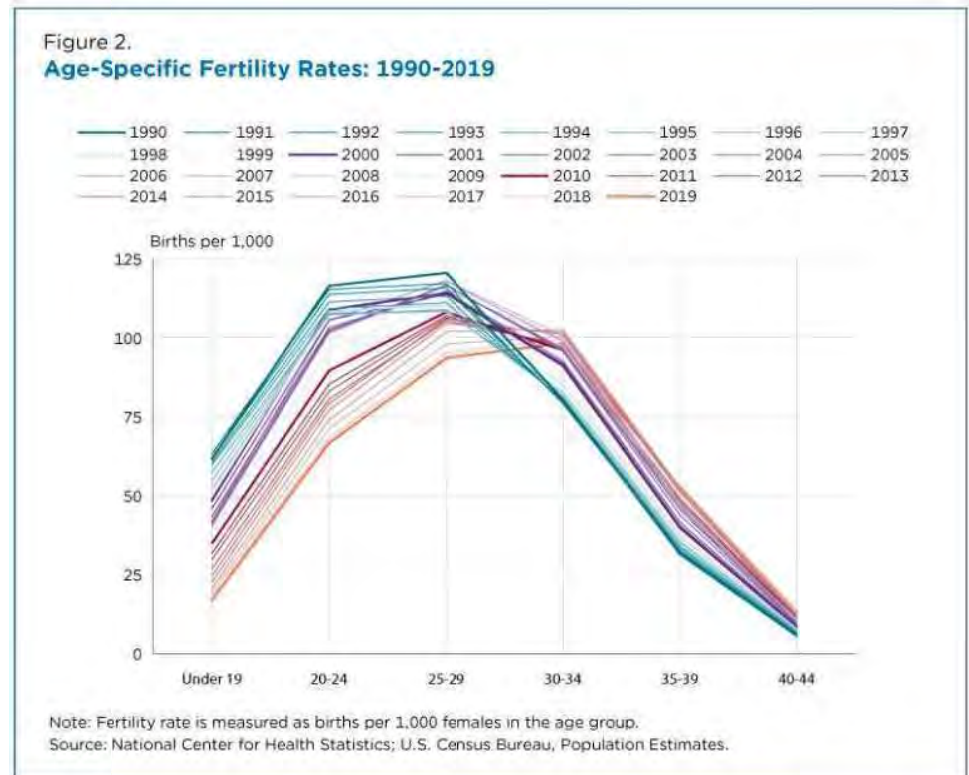
**Fertility Rates:
Declined for Younger
Women, Increased
for Older Women**

US Census, April 6, 2022

Table 1.
Fertility Rates by Age: 1990 and 2019

Age of mother at birth	Fertility rate		Percent change 1990-2019
	1990	2019	
Total	70.77	58.21	-17.74
15-19	61.64	16.82	-72.71
20-24	116.40	66.59	-42.79
25-29	120.54	93.60	-22.35
30-34	80.43	98.19	22.08
35-39	31.50	52.72	67.35
40-44	5.57	12.96	132.45

Note: Fertility rate is measured as births per 1,000 females in the age group.
Source: National Center for Health Statistics; U.S. Census Bureau, Population Estimates.

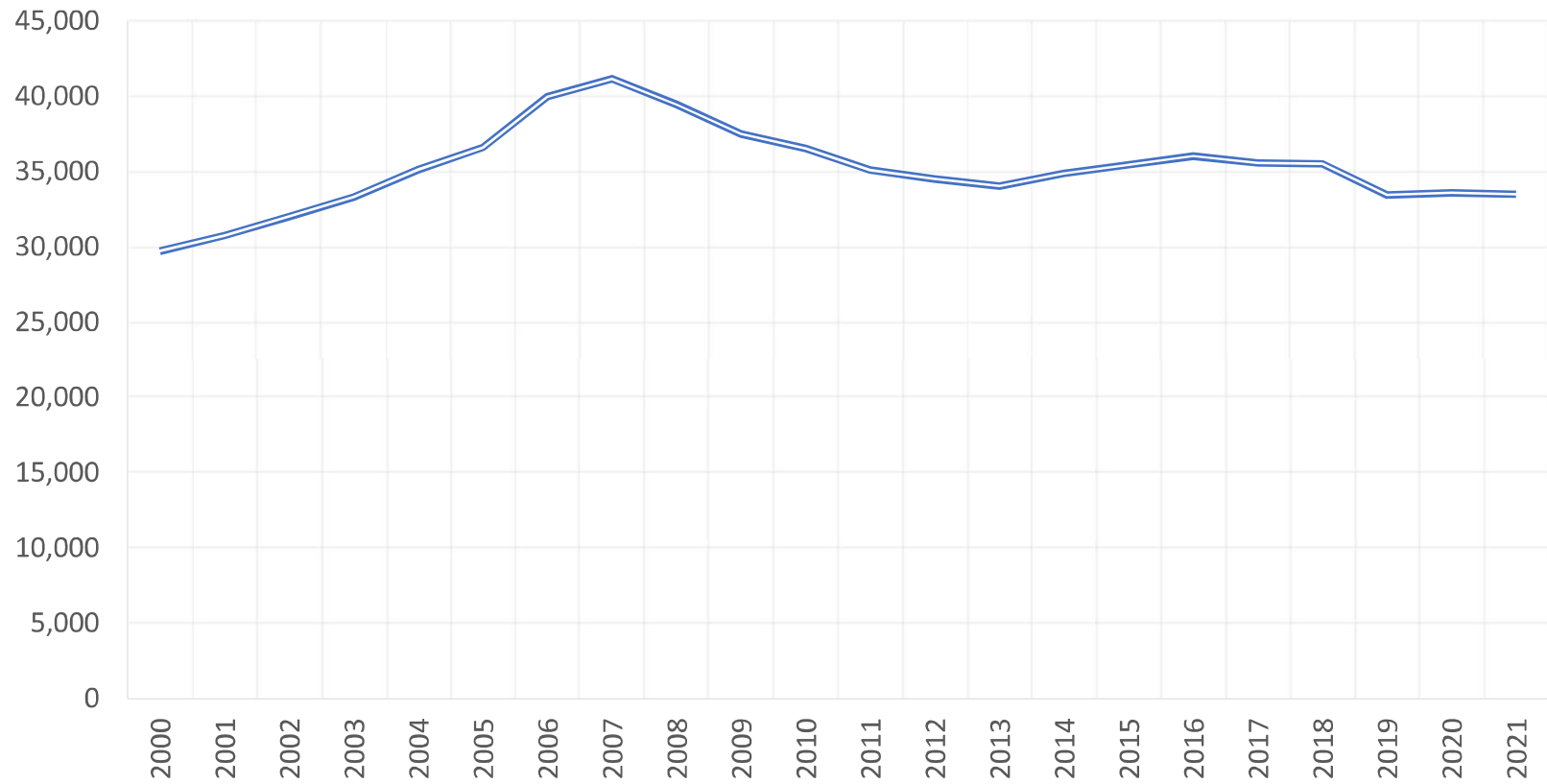


Source: CDC National Center for Health Statistics



Nevada Births

NEVADA TOTAL BIRTHS 2000 - 2021

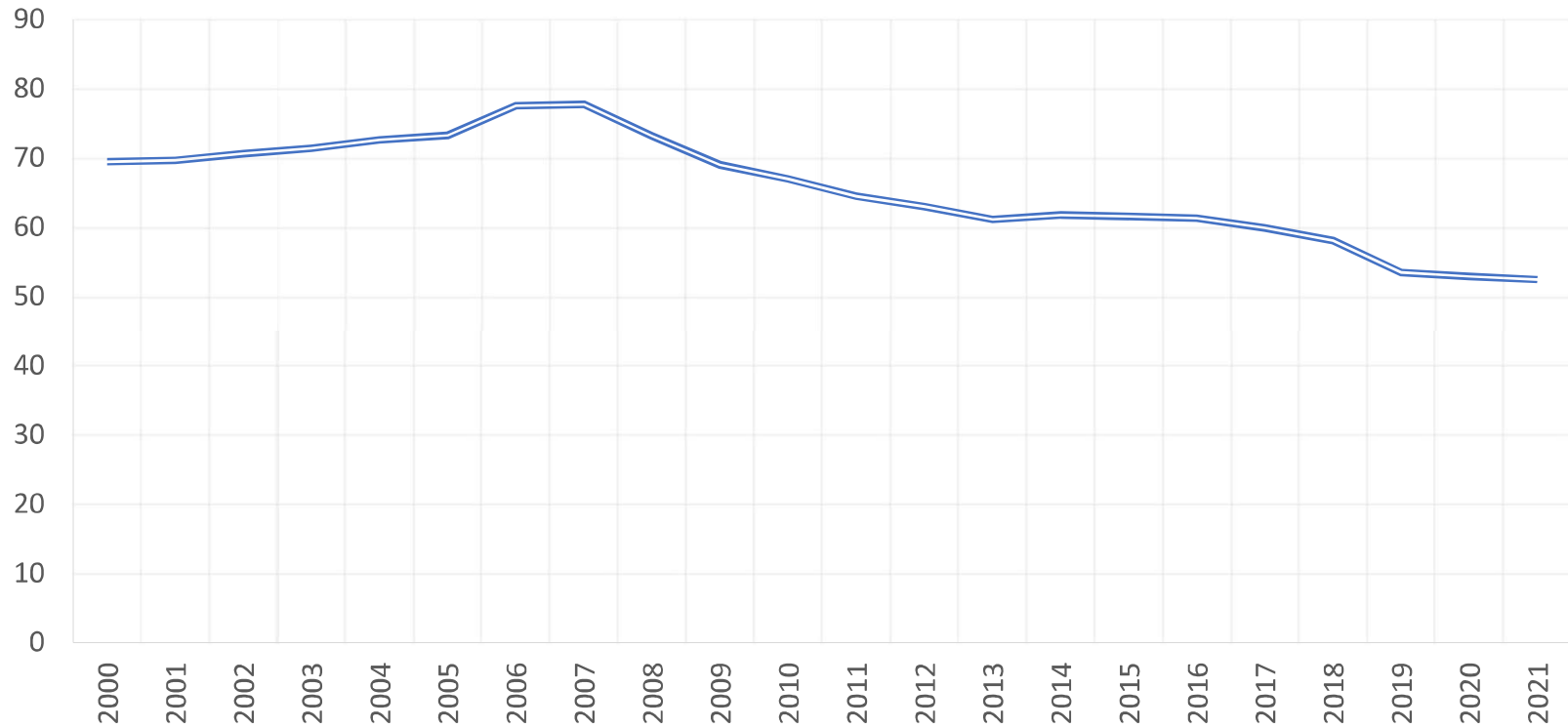


Source: Nevada Dept of Health and Human Services



Nevada Fertility Rate

NEVADA FERTILITY RATE: BIRTHS PER 1000
WOMEN AGE 15 - 44

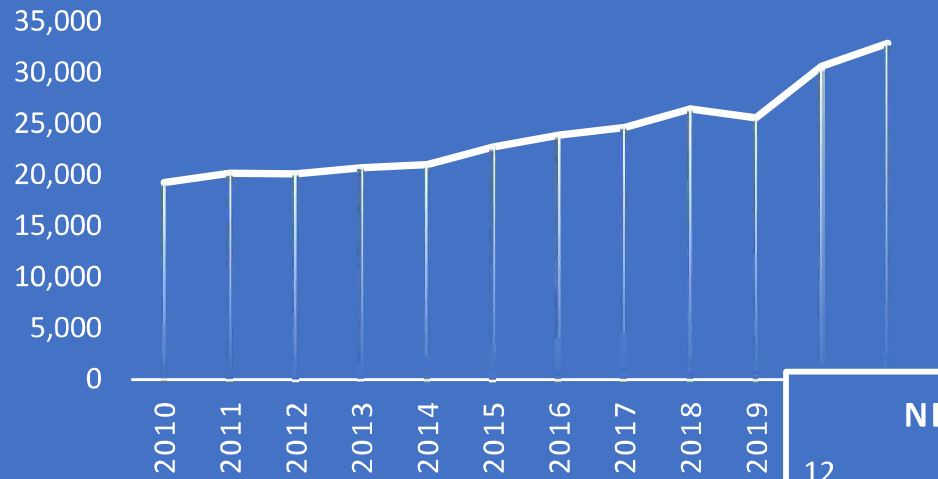


Source: Nevada Dept of Health and Human Services and State Demographer Estimates



Nevada Deaths

NEVADA TOTAL DEATHS 2010 TO 2021



NEVADA DEATHS PER 1,000 POPULATION

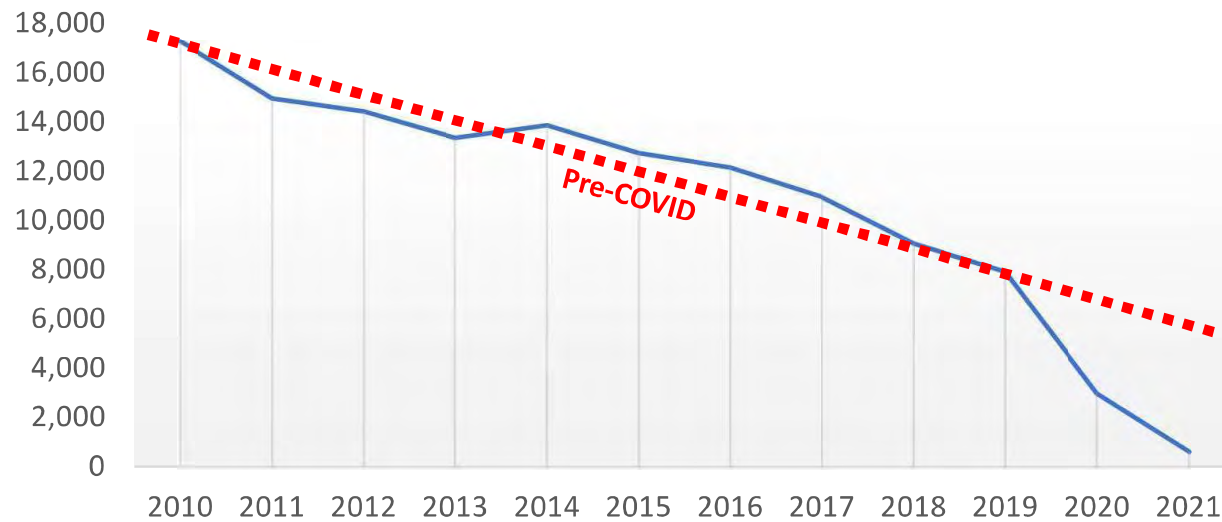


Source: Nevada Dept of Health and Human Services and State Demographer Estimates



Natural Change (Births – Deaths)

Nevada Natural Population Change by Year
2010 - 2021



- 2021: 13 counties with negative natural change; one with single digit increase
- 2020: 9 counties with zero or negative natural change; 2 with single digit increases
- 2019 (pre-COVID): 8 counties with negative natural change; one with single digit increase

Source: Nevada Dept of Health and Human Services



Migration - Domestic

- IRS Interstate Migration Flows 2019 to 2020:

	Inflow		Outflow		Net 19/20	Net 18/19	Yr-to-Yr
	Returns	Individuals	Returns	Individuals	Individuals	Individuals	Difference
Nevada	71,548	130,679	55,168	102,606	28,073	30,888	-2,815
Carson City	1,089	1,873	855	1,498	375	502	-127
Churchill County	611	1,227	507	1,048	179	-7	186
Clark County	52,725	96,586	40,563	76,091	20,495	23,842	-3,347
Douglas County	1,686	2,884	1,009	1,654	1,230	974	256
Elko County	982	2,144	1,040	2,270	-126	-137	11
Esmeralda County	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Eureka County	31	58	27	68	-10	N/A	N/A
Humboldt County	285	561	288	595	-34	-33	-1
Lander County	66	162	72	122	40	48	-8
Lincoln County	59	121	43	127	-6	19	-25
Lyon County	1,348	2,592	996	2,008	584	736	-152
Mineral County	48	83	40	77	6	66	-60
Nye County	1,305	2,389	820	1,533	856	563	293
Pershing County	55	101	44	99	2	-3	5
Storey County	47	80	44	74	6	36	-30
Washoe County	10,885	19,091	8,523	14,757	4,334	4,316	18
White Pine County	121	269	113	224	45	37	8



Migration - Domestic

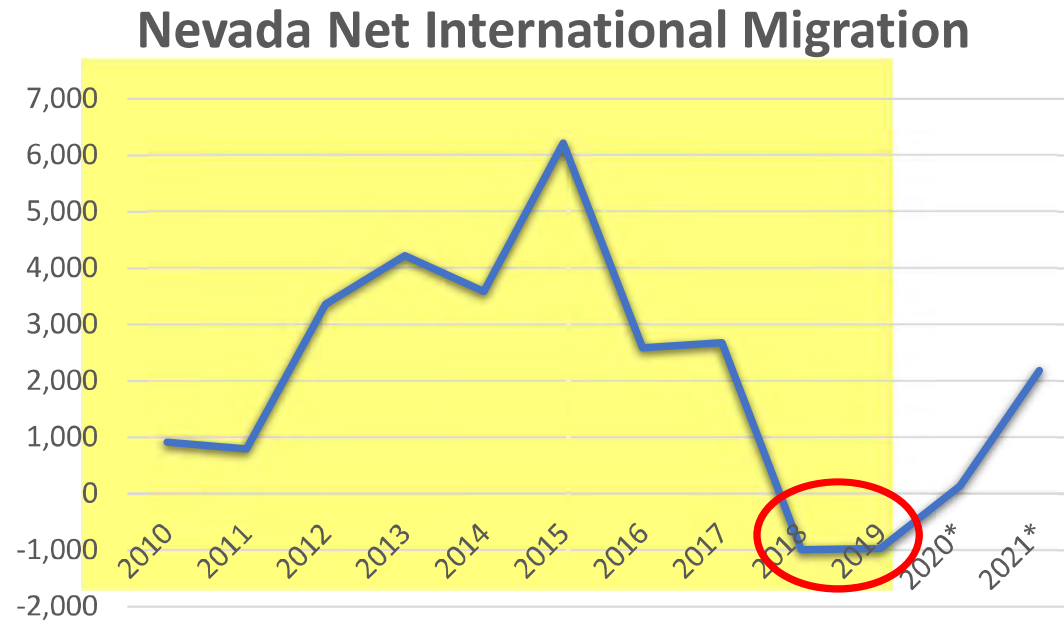
- U-Haul Growth Index: Nevada drops from #8 to #29
- Inbound moves drop from #4 (2018) to #12 (2019) to #22 (2020) to **#31 in 2021** (United Van Lines 2021 Movers Study)
- North American Van Lines:

Nevada	
Year	In - Out
2021	49% - 51%
2020	55% - 45%
2019	56% - 44%
2018	53% - 47%
2017	56% - 44%
2016	55% - 45%
2015	57% - 43%
2014	54% - 46%
2013	52% - 48%
2012	49% - 51%
2011	46% - 54%



Migration - International

- Census Net International Migration Estimates:



*Vintage 2021 Estimate Using Census 2020 Blended Base



Summary

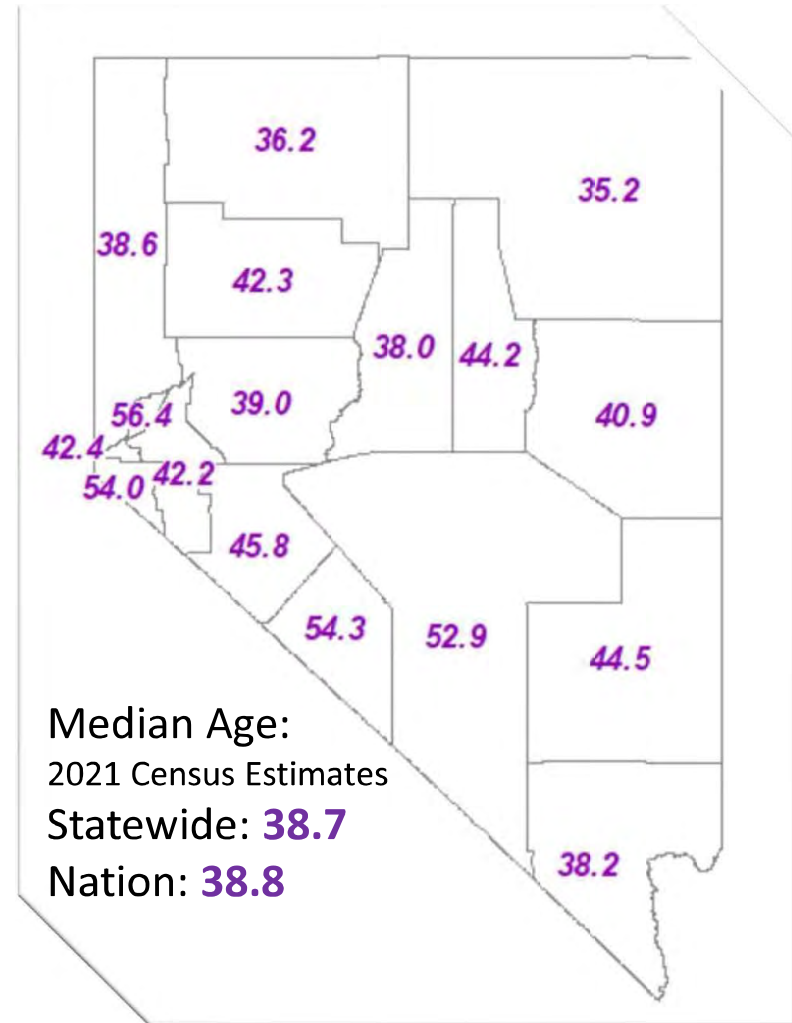
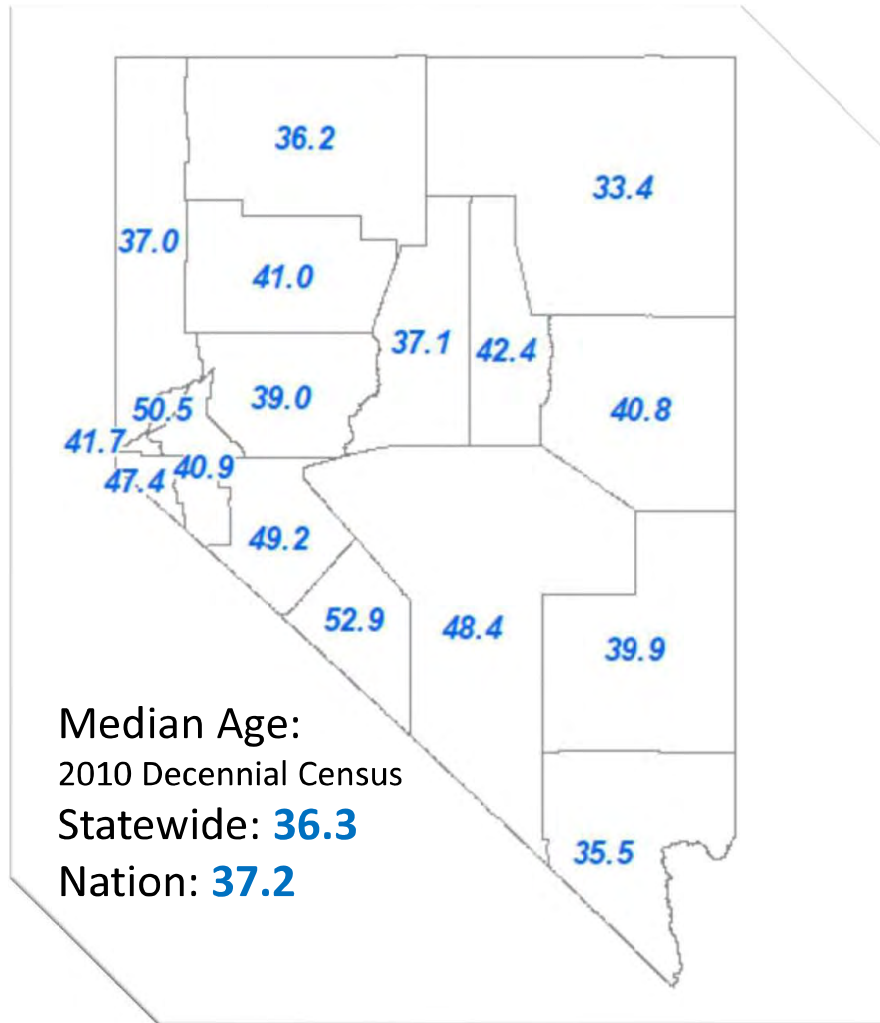
- Fertility rates continue to decline
- Women waiting longer to have fewer babies
- Natural increase is declining
- Domestic migration to Nevada is declining
- International migration picture incomplete due to Census delays



Demographic Characteristics



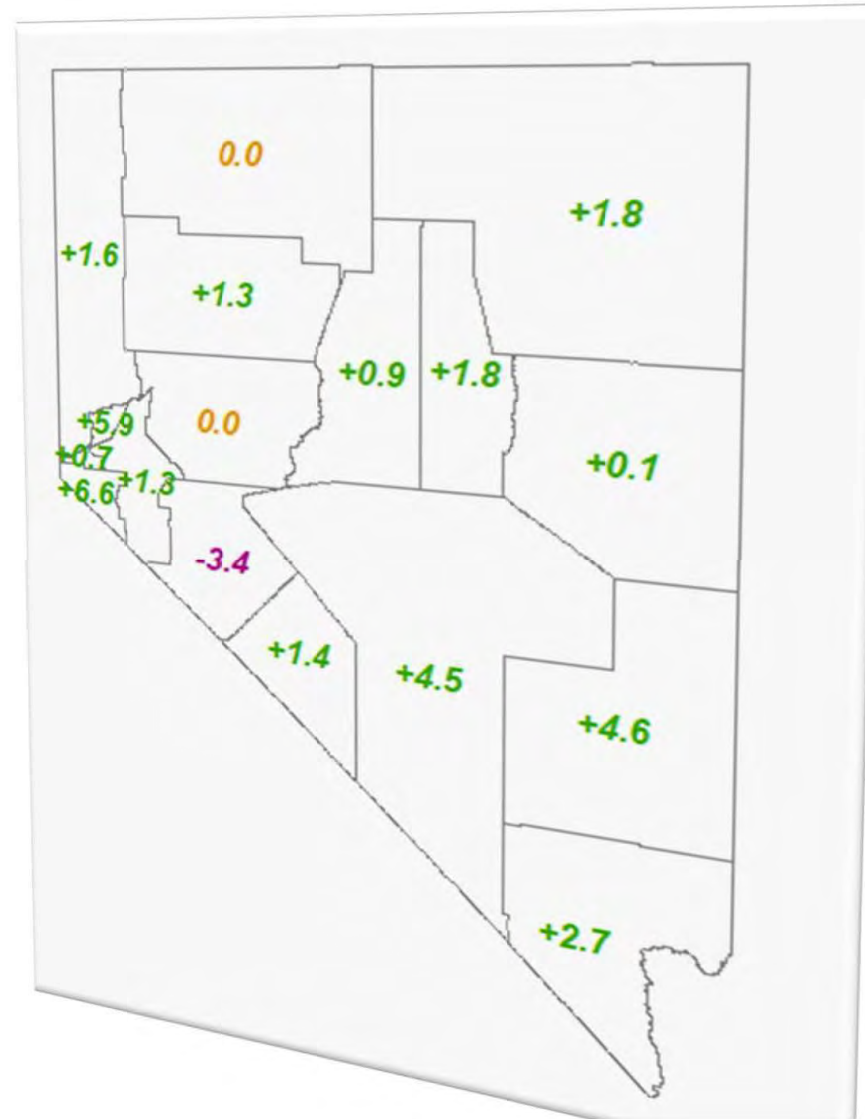
Age: Getting Older...





Age: Getting Older...

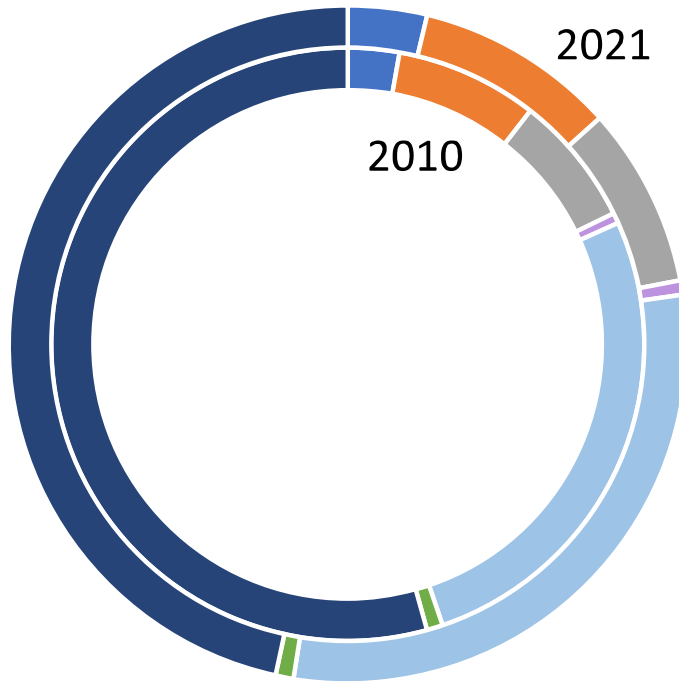
Median Age:
Change 2010 to 2021
Statewide: **+2.4**
Nation: **+1.6**





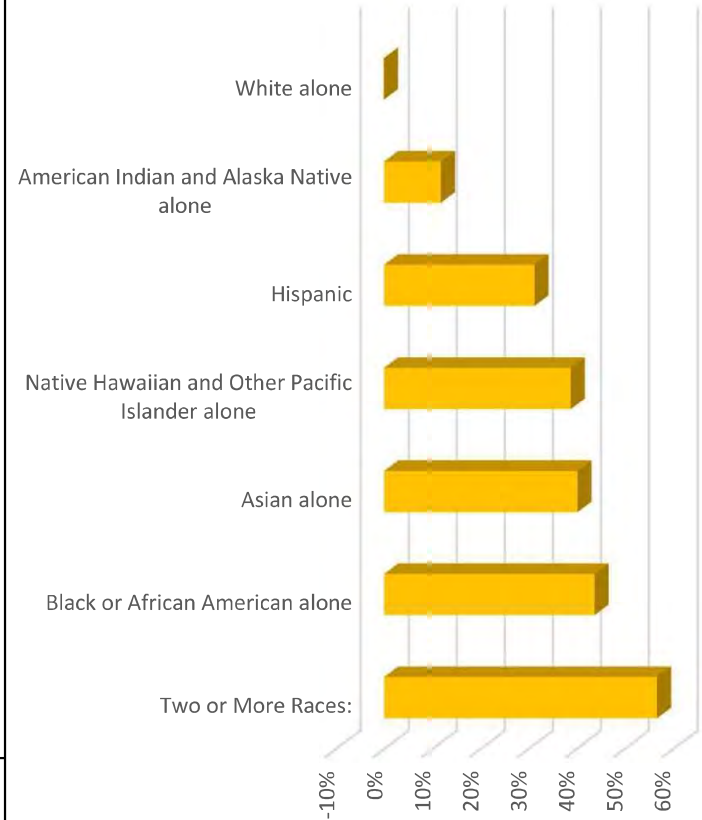
Race and Ethnicity: 2010 to 2021

Nevada Population by Race/Ethnicity 2010 to 2021



- Two or More Races:
- Asian alone
- Hispanic
- White alone
- Black or African American alone
- Native Hawaiian and Other Pacific Islander
- American Indian and Alaska Native alone

Nevada Change by Race/Ethnicity 2010 to 2021



Source: 2010 Census Estimates Base; Vintage 2021 Census Estimates



Population Projections



20-Year Population Projections

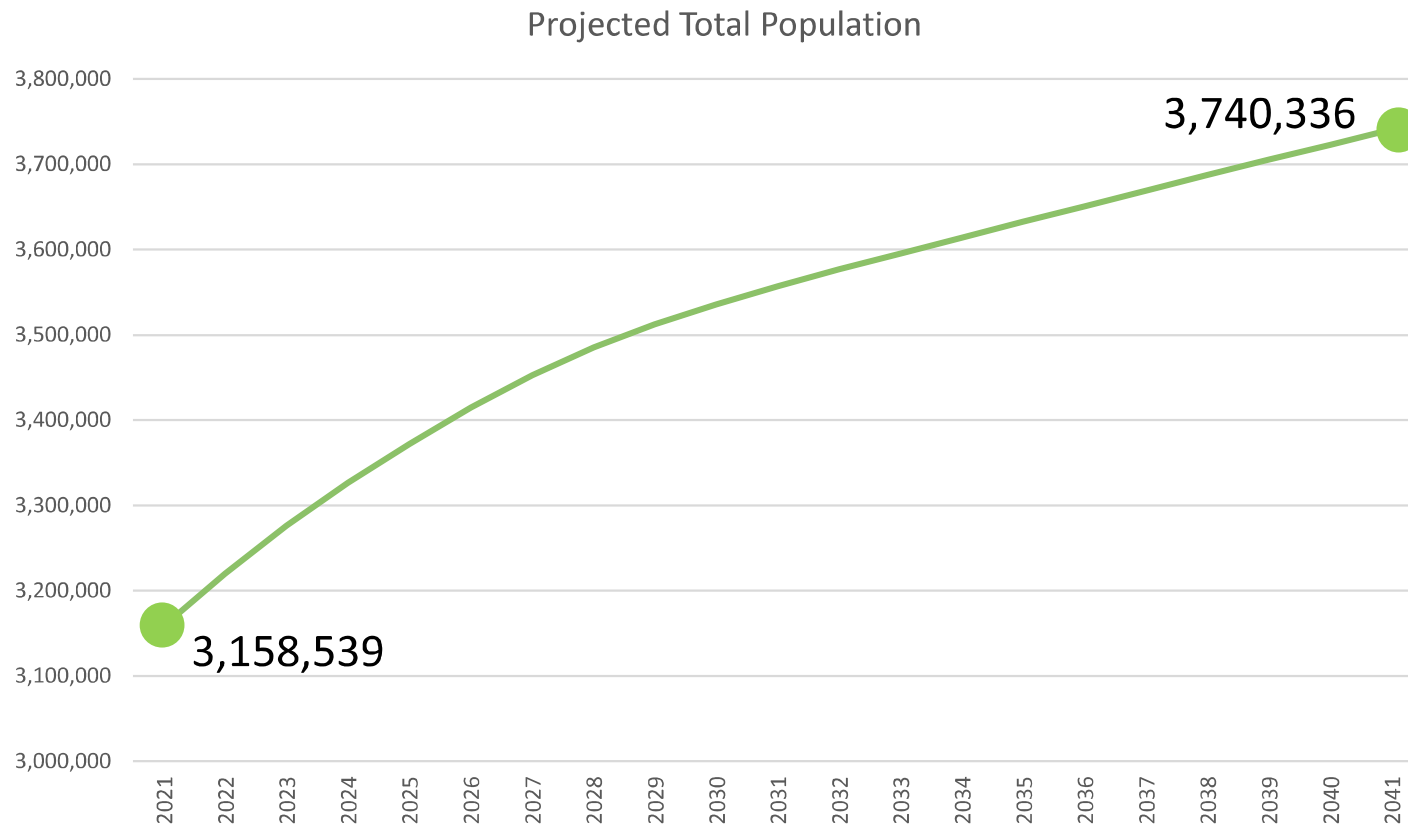
Methodology:

- Based on REMI econometric model
- Used by State Demographer for 20+ years
- Latest release version 3.0.0 (June 2022)
- Updated sector employment through Q2 2021
- Included sector employment forecasts from GOED and Regional Development Authorities



20-Year Population Projections

- Statewide Population 2021 to 2041

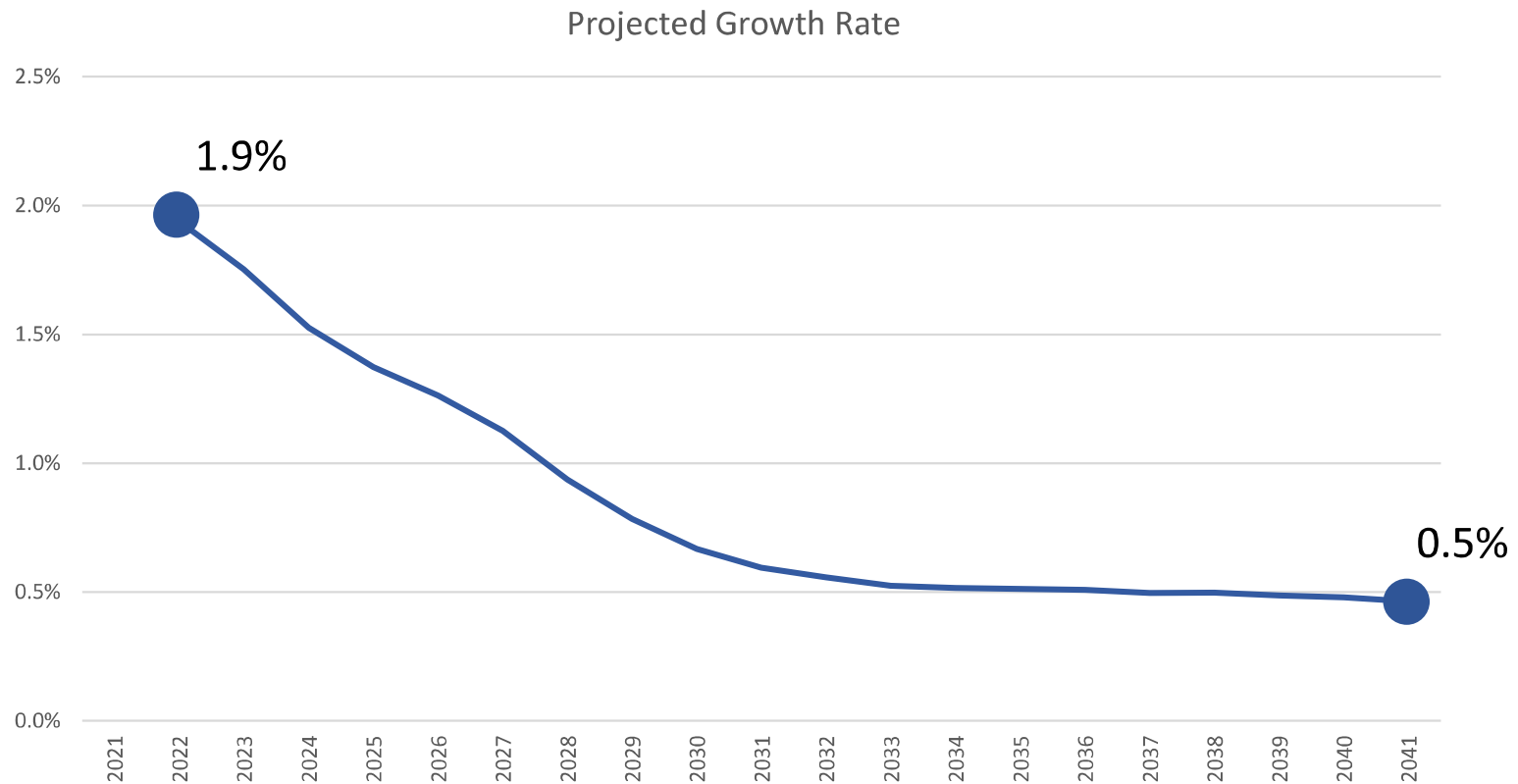


Source: Nevada State Demographer's 20-Year Population Projections, October 1, 2022



20-Year Population Projections

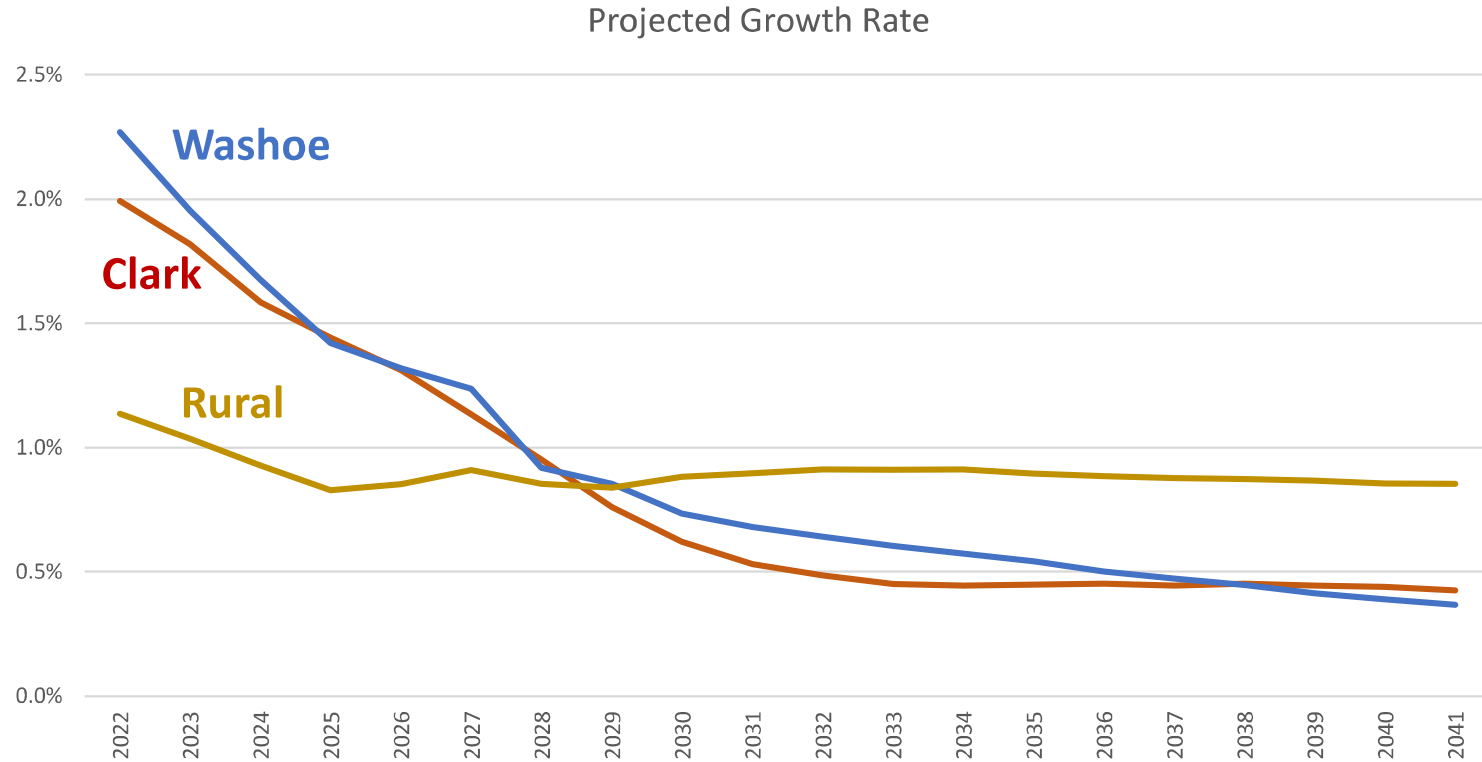
- Statewide Growth Rate 2021 to 2041





20-Year Population Projections

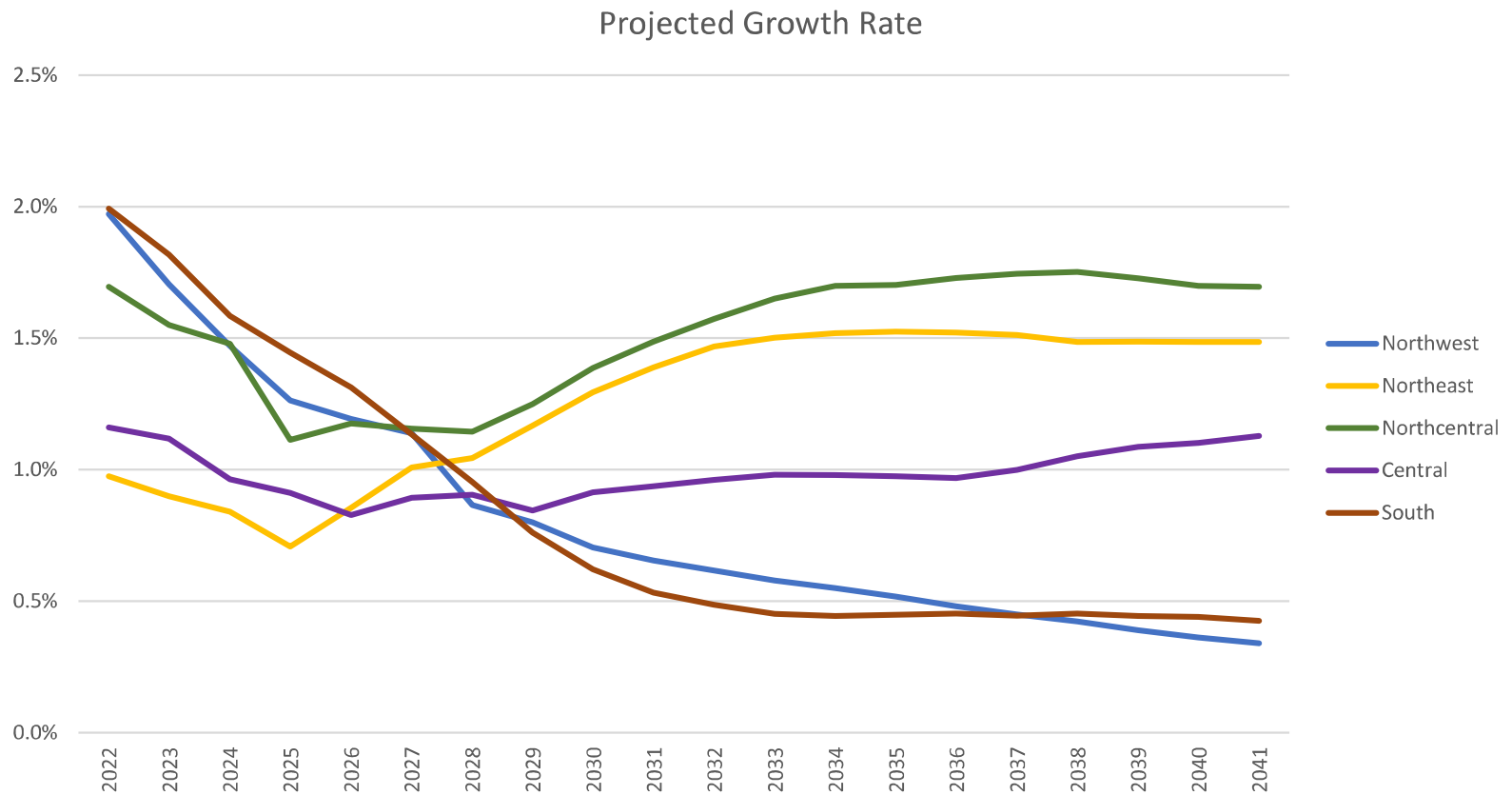
- Growth Rates by County 2021 to 2041





20-Year Population Projections

- Growth Rates by Region 2021 to 2041





20-Year Population Projections

Risks for Consideration:

- Stronger pandemic recovery may inflate growth rates
- Housing availability as a limiting factor
- Employee commuting patterns
- Changes in international migration policy
- Fluctuating domestic migration patterns
- Lingering pandemic effects, global conflict, resource limitations, economic volatility



Questions?

Matthew F. Lawton, PMP, GISP

Nevada State Demographer

Department of Taxation

(775) 687-9961

lawton@tax.state.nv.us

TRAVEL
NEVADA

Presentation to the Economic Forum



Agenda

- Rural Trends
- Travel Trends
- Economic Trends
- Outlook

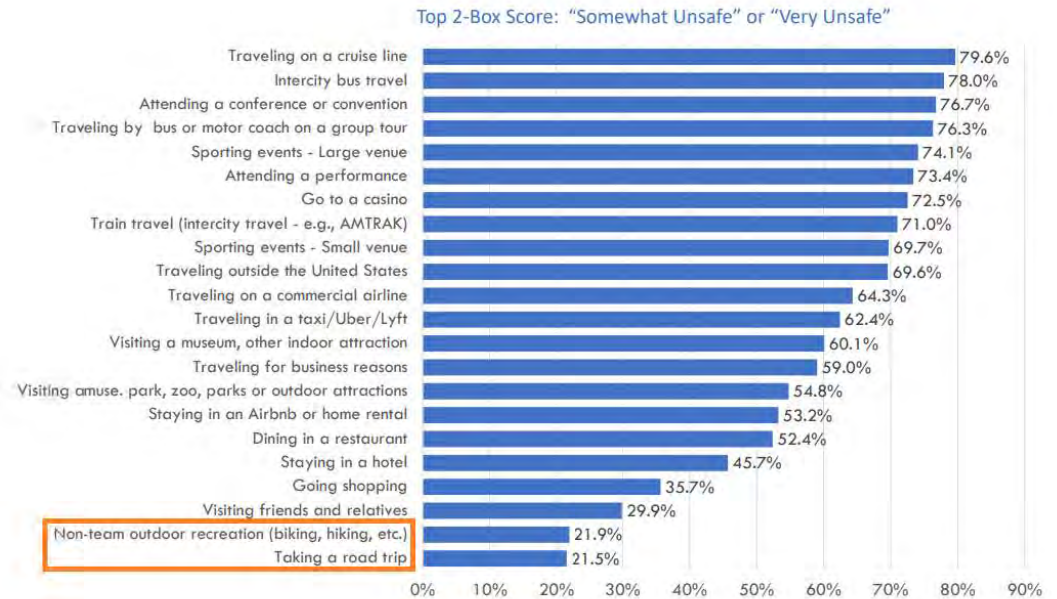
Rural Trends



Activity Perception – July 2020

Throughout the heights of the pandemic, travelers indicated that they felt activities in which they could be away from crowds were the safest travel-related activities.

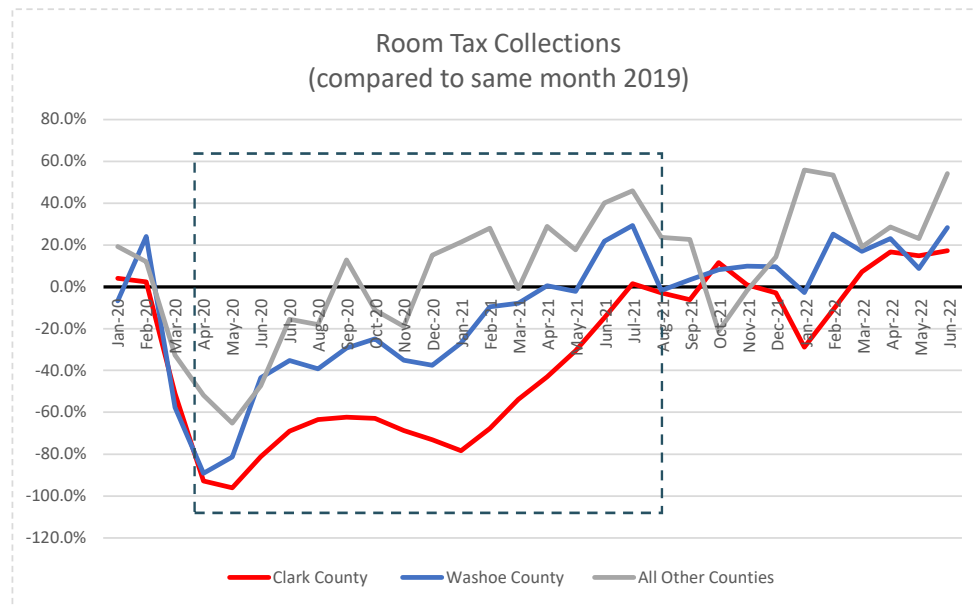
The results shown here are from Destination Analysts' State of the American Traveler survey from July 2020, and shows that travelers felt that outdoor recreation opportunities and taking a road trip were the safest activities during COVID.



Rural Nevada Recovered More Quickly

Because travelers felt that activities (such as outdoor recreation and road trips) offered in rural parts of the country were more safe, rural destinations tended to recover faster than urban destinations.

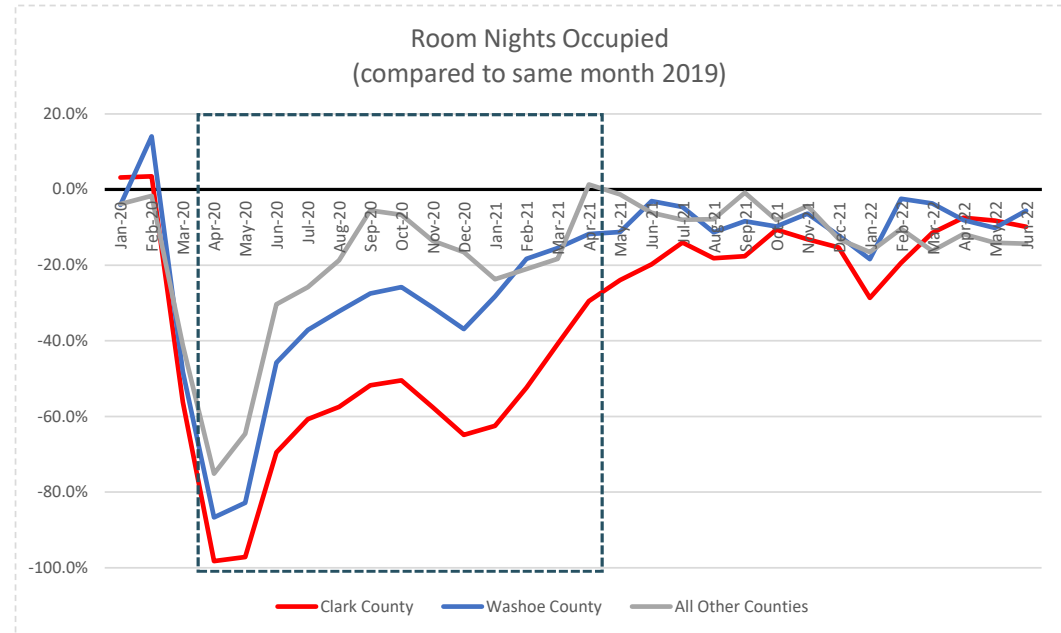
The chart here shows that room tax collections in rural Nevada reached pre-pandemic levels at a much faster rate than the urban areas of the state. Although the urban areas still represented the majority of room tax collections during this period, rural Nevada recovered more quickly than Clark and Washoe counties.



Rural Nevada Recovered More Quickly

Similar to room tax collections, room nights occupied in rural Nevada tended to recover much quicker than the urban parts of the state during the height of the pandemic.

Again, although the urban areas still accounted for the majority of visitation to the state during this time, rural areas approached pre-pandemic levels more quickly.



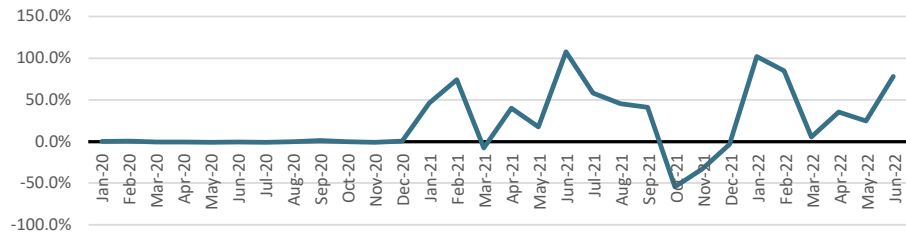
Source: LVCVA, RSCVA, Douglas County, Nevada Division of Tourism

Some Rural Counties Have Faired Particularly Well

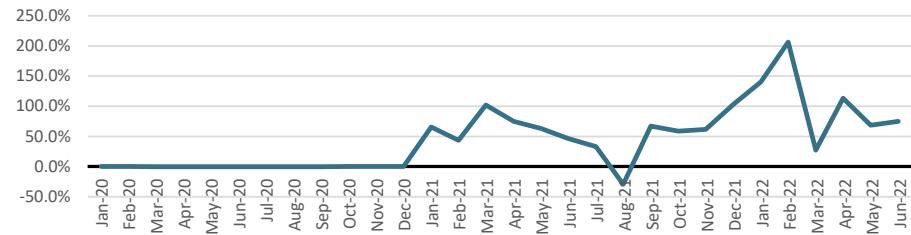
Although rural Nevada as whole has recovered well after the initial effects of the pandemic, some counties have faired particularly well.

Douglas County, Humboldt County, and White Pine County have seen large gains in room tax collections when compared with 2019, particularly after the start of 2021. This is due to a quick recovery in visitation along with higher room rates experienced throughout the state.

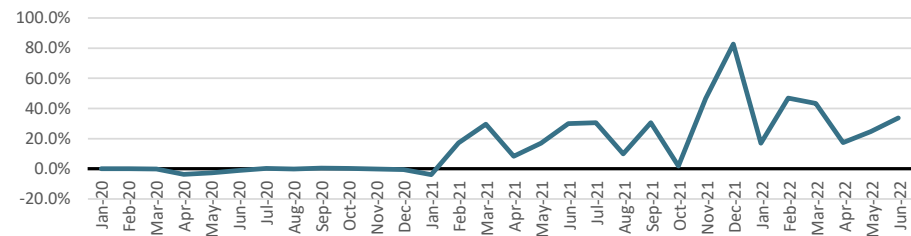
Douglas County Room Tax Collections
(compared to same month 2019)



Humboldt County Room Tax Collections
(compared to 2019)



White Pine County Room Tax Collections
(compared to same month 2019)

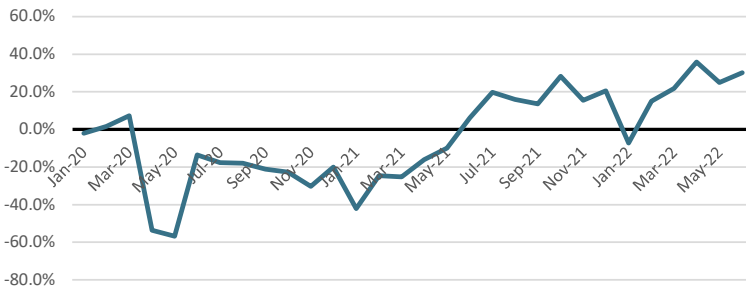


Travel Trends

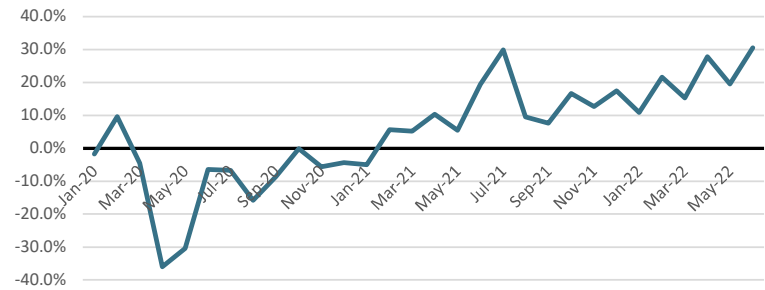


Hotel Rates Remain High Throughout NV

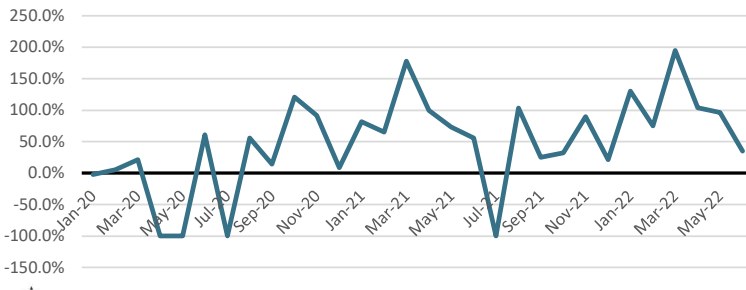
Las Vegas ADR
(compared to same month 2019)



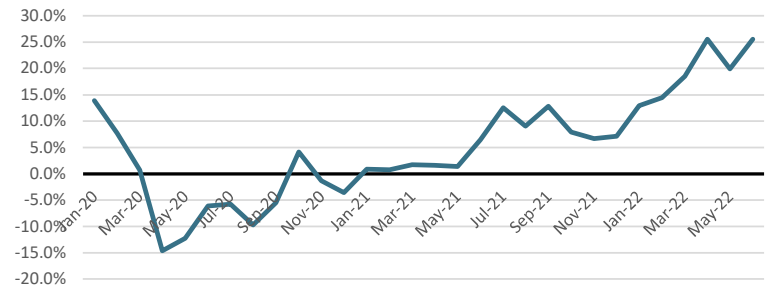
Washoe County ADR
(compared to same month 2019)



Lake Tahoe* ADR
(compared to same month 2019)



All Other Counties ADR
(compared to same month 2019)



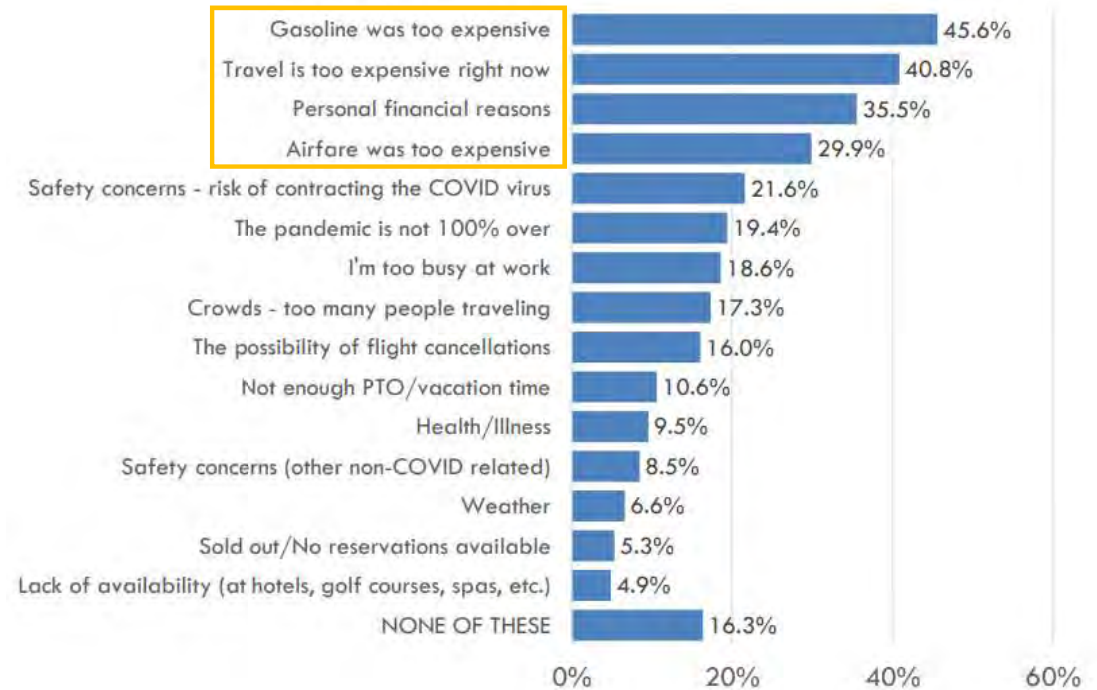
Source: LVCVA, RSCVA, Douglas County, Nevada Division of Tourism
*Lake Tahoe ADR represent the South Shore hotel-casino area at Lake Tahoe

Recent Travel Deterrents

Travelers are no doubt aware of the rise in prices occurring in the travel industry. In Destination Analysts survey, when asked what has kept travelers from traveling more than they otherwise would over the past six months, the top four reasons cited are all related to finances.

The fifth most cited answer option is safety concerns related to COVID, which was the most cited response related to health and safety on the list. It should also be noted that things such as the possibility of flight cancellations are also on people's minds right now, as 16% of travelers indicated that this has been a deterrent.

Deterrents to Travel in Past 6 Months

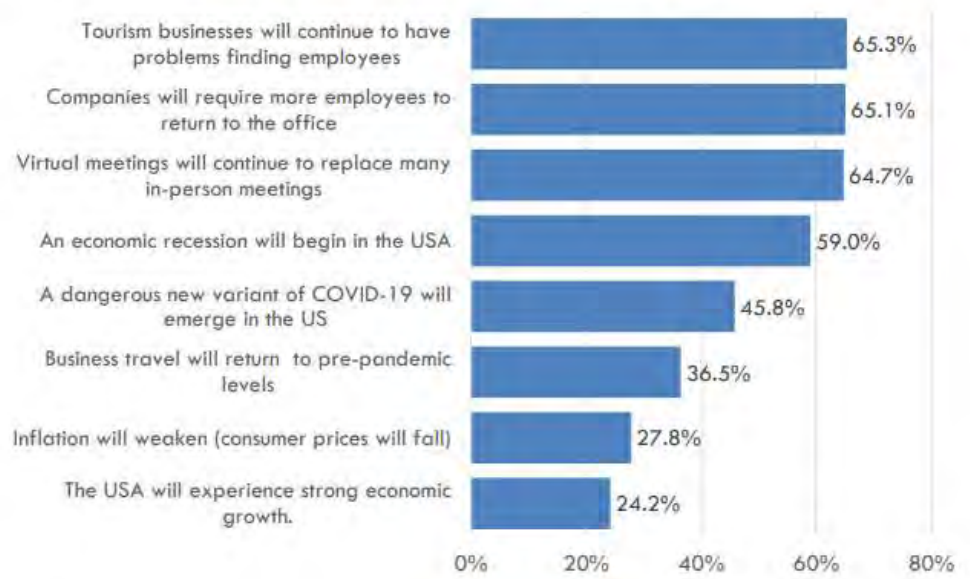


Labor Shortage Evident for Travelers

Another trend that is being seen across the travel industry, although this problem isn't unique to travel, is the labor shortage. In the May Survey of the American Traveler, over 65% of respondents indicated that they felt it is likely that tourism businesses will continue to have problems finding employees, the most likely out of any other option.

Although it's unclear what effect this may have on total travel demand, this is an issue that is at least noticed by travelers.

% Who Chose "Likely" or "Extremely likely"



Source: Destination Analysts



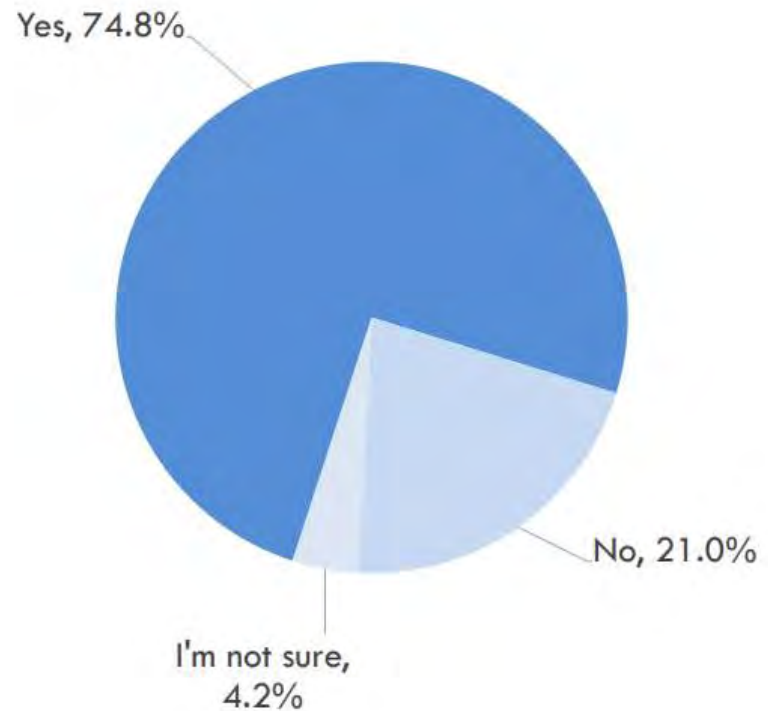
Awareness of Flight Issues

Related to the labor shortage and ability of the travel industry to fulfill expectations, issues with flights is being noticed among travelers.

Almost three quarters of respondents mentioned that they were aware of flight cancellations, delays and lines for air travel when asked in the State of the American Traveler survey.

Again, it is hard to know what effect this will have on travel demand, but this is an issue that is at least noticeable from a traveler's perspective.

Awareness of Flight Cancellations, Delays, and Long Security Lines



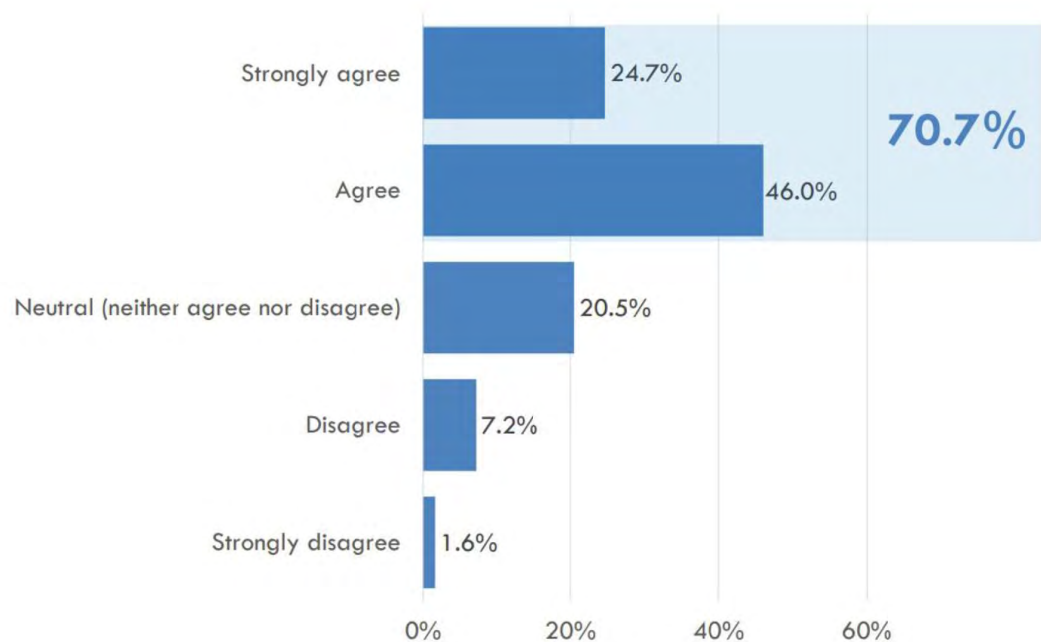
Source: Destination Analysts

Trip Satisfaction

With all of that being said, when asked about the overall value for money spent on their most recent overnight trip, over 70% of respondents indicated that they agreed that they were satisfied while less than 10% disagreed.

This means that although travelers are aware of issues in the travel industry, travel is still by-and-large being valued by people.

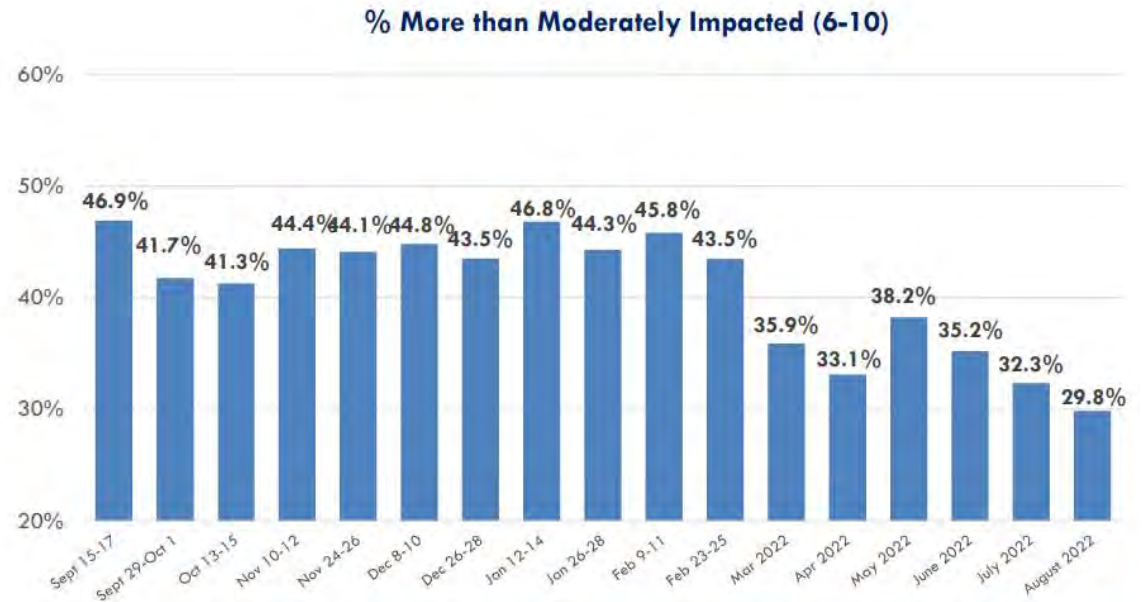
Satisfied With Overall Value For Money On Most Recent Overnight Trip



Impact of COVID-19 continues to Lower

On another positive note, COVID-19 continues to be less of a concern for travelers over time.

The impact that COVID-19 is having on ability to have meaningful travel experiences has been on a downward trend. Recently, this measure has fallen below 30% for those saying that they are more than moderately impacted by COVID-19.

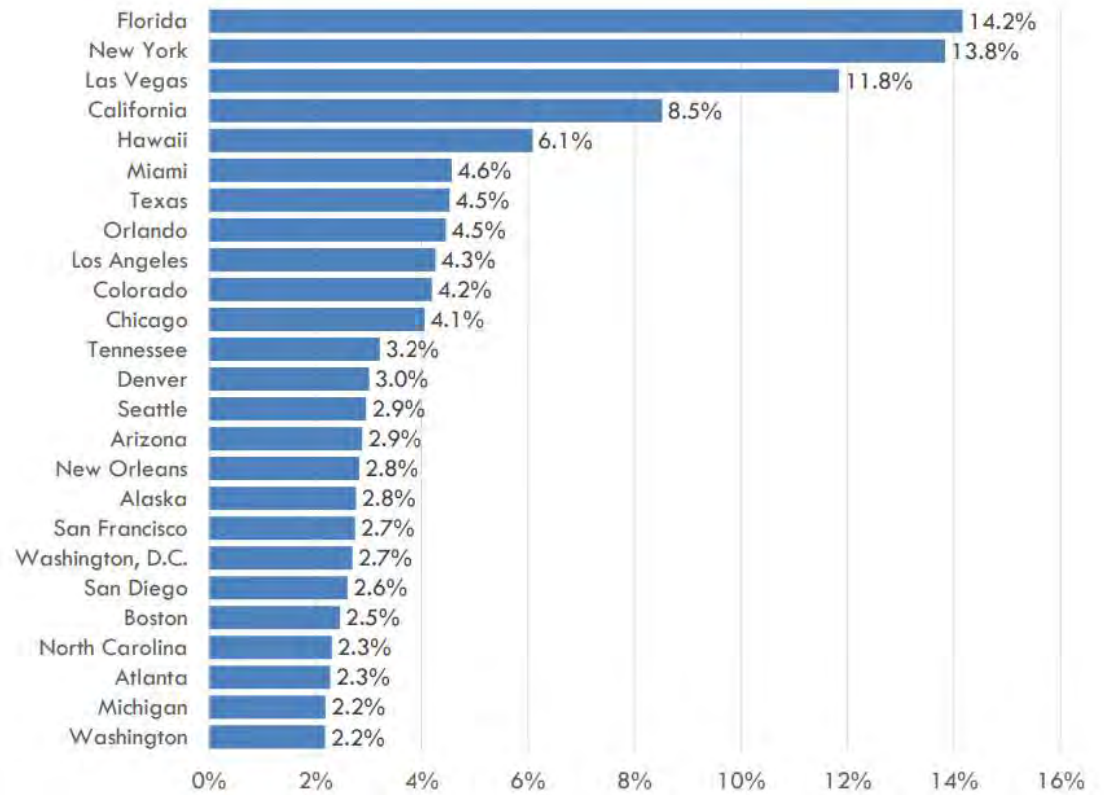


Las Vegas Still Top of Mind

Las Vegas remains a destination that is top of mind for travelers. When asked what domestic destinations are the most desired in the next 12 months to visit, Las Vegas consistently ranks near the top of the list.

This means that Las Vegas has remained as a destination that is top of mind for travelers after the pandemic, which positions both Las Vegas and the state nicely for future travel demand.

Most Desired Domestic Destinations in Next 12 Months



Source: Destination Analysts

Economic Trends

US Labor Market Still Strong

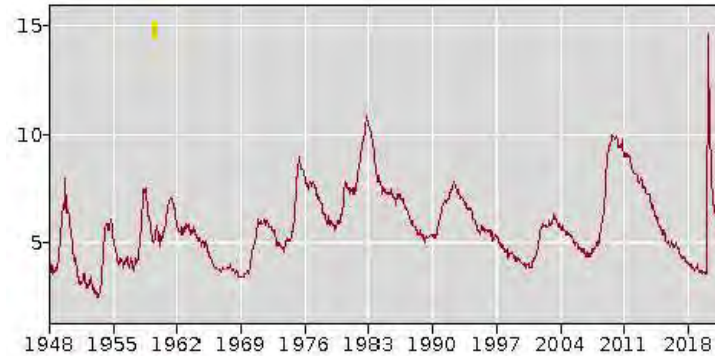
Knowing that employment is a good indication for travel, the labor market is a good place to look as an indicator for how travel may perform.

The unemployment rate for August 2022 stood at 3.7% for the US according to the Bureau of Labor Statistics (BLS).

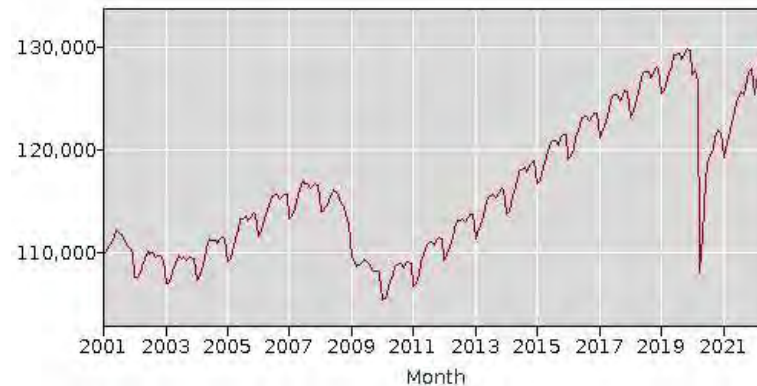
This is higher than the 3.5% unemployment rate that was attained July, but is still a low level of unemployment historically.

Further, preliminary figures for July and August are indicating that US total private employment has now surpassed pre-pandemic levels.

US Unemployment Rate



US Total Private Employment



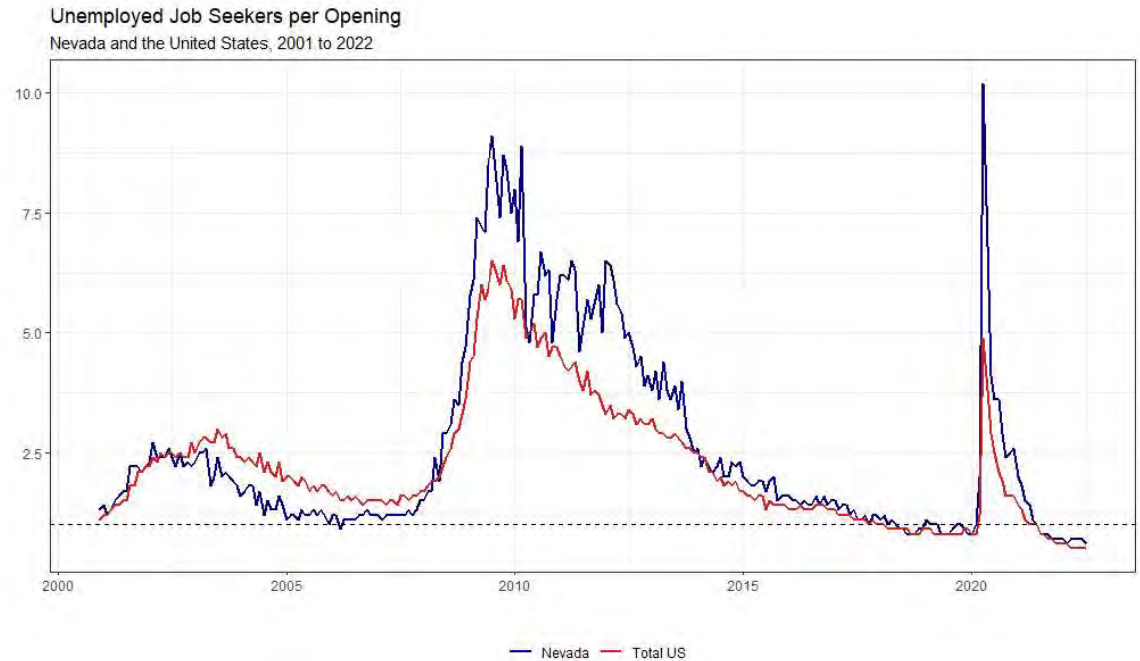
Source: BLS

US Labor Market Still Strong

Another indicator that shows the strength of the labor market are the number of job openings per job seeker.

Any number on the chart below the dotted line indicates that there are more job openings than there are people looking for jobs.

For both Nevada and the U.S. as a whole, there are, roughly speaking, around two jobs open for every person looking for a job.

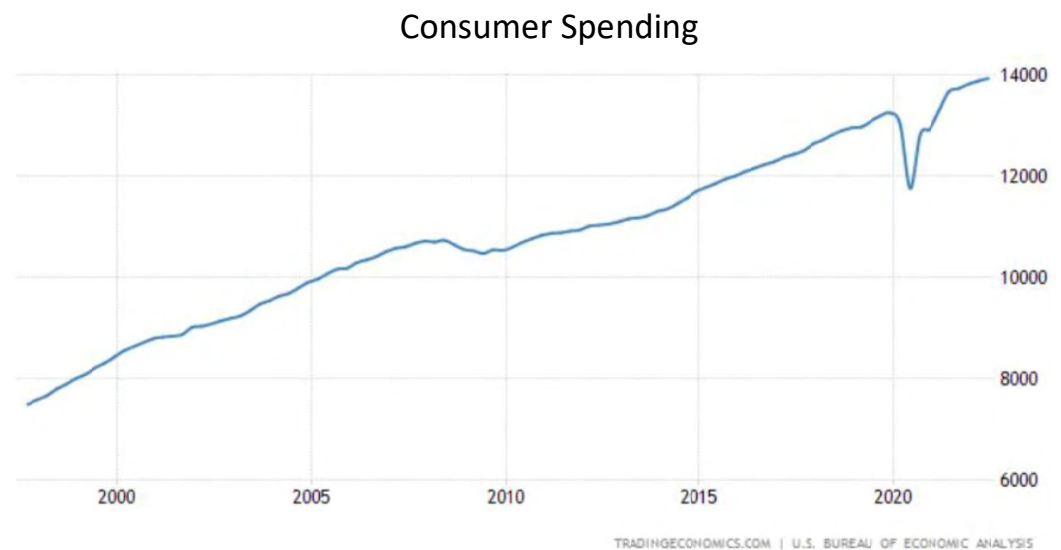


Source: Nevada Department of Employment, Training and Rehabilitation

Consumer Spending Remains High

Another positive economic indicator is consumer spending. After consumer spending took a hit at the start of the pandemic, this has recovered to the trajectory that it was on prior to the pandemic.

This is a good indication because solid levels of consumer spending is a good sign for the balance sheet of businesses and employment.



Source: Trading Economics / BEA

Inflation Remains High

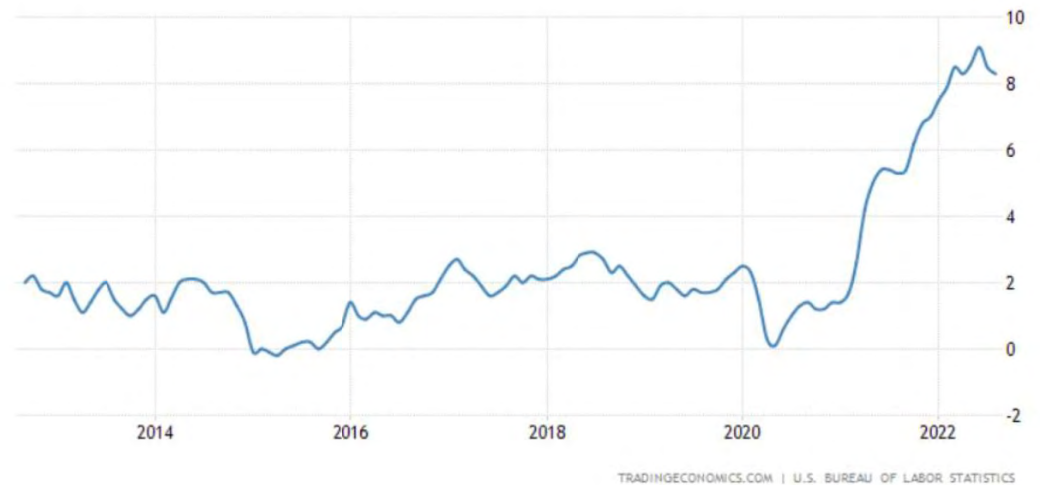
However, inflation in the US remains at elevated levels.

There are signs that this is starting to slow and general expectations seem to be that inflation will begin to lower and reach normal levels.

Lowering levels of inflation are expected to happen over the course of the next couple of years, however, and is not expected to return to normal levels in the immediate short term.

Inflation is a concern because it is an issue that effects everyone throughout the economy, particularly if wages don't keep up with inflation, which reduces the spending power and confidence of consumers.

Inflation Rate



Rate Hikes Expected to Continue

The Federal Reserve is expected to continue to raise the federal funds rate over the short term to try to combat inflation.

This will have the effect of raising interest rates, which could lead to lower demand for goods and services as the cost of borrowing for households and businesses increases, which could drive demand down.

Though the federal funds rate is historically still at relatively low levels, it is rising quickly and rate hikes are expected to continue in the short term.

Federal Funds Rate



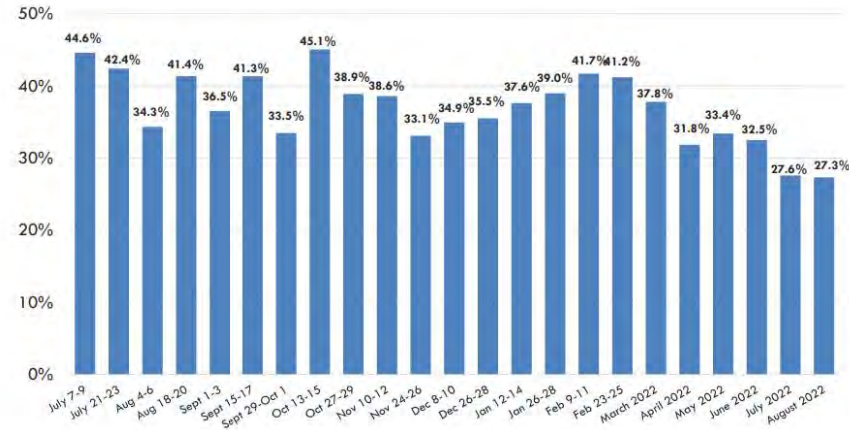
Traveler Financial Sentiment Trending Lower

Linked to rising prices generally, sentiment around traveler's financial situation has been on a recent downward trend in Destination Analysts' survey.

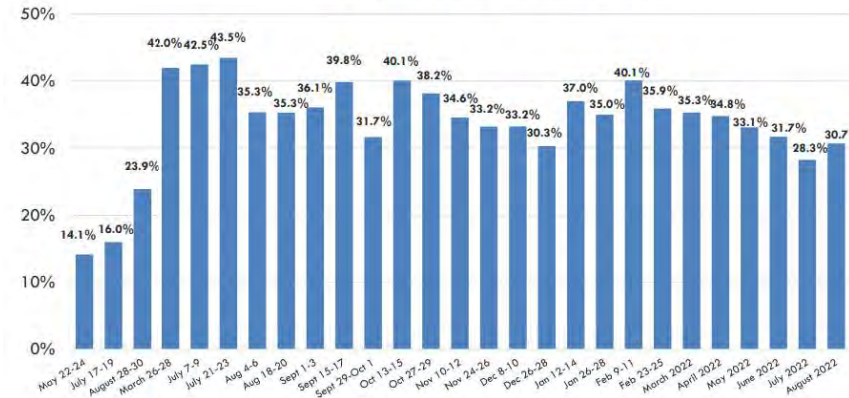
Those saying that it is a good time to spend money on travel has fallen from around 41% early in the year to around 27% in August. Expectations for traveling more for leisure has also fallen throughout 2022, though has ticked up recently.



% Good or Very good time to spend on travel



% Expecting to Take More Trips



Source: Destination Analysts

Consumer Sentiment at Low Levels

Data from the University of Michigan's Consumer Sentiment Index have recently shown the lowest sentiment levels on record.

Previous low marks in sentiment were seen around the late 1970's / early 1980's, which was a similar period of high inflation. The great recession period also showed low marks in consumer sentiment.

THE INDEX OF CONSUMER SENTIMENT

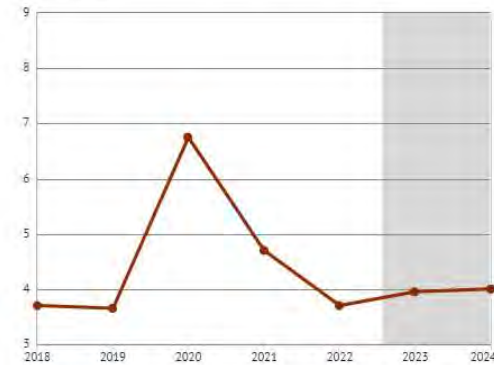


Unemployment Expected to Increase, Though Not Drastically

Various forecasts are anticipating increases in unemployment, though the increases are not predicted to be drastic.

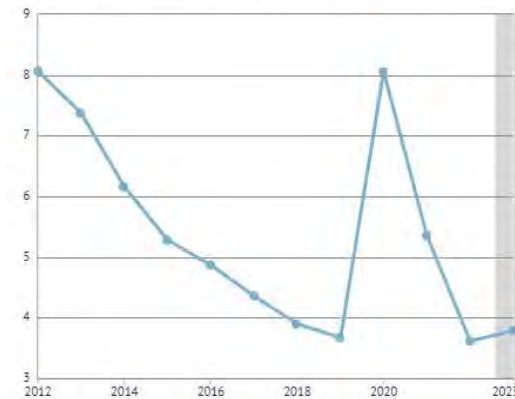
Three forecasts seen here (from the FOMC, the IMF, and the OECD) all anticipate slight increases in unemployment over the next couple of years. However, none are projecting unemployment higher than 4% through 2024.

FOMC: US Unemployment Rate Midpoint Forecast
% of total labor force

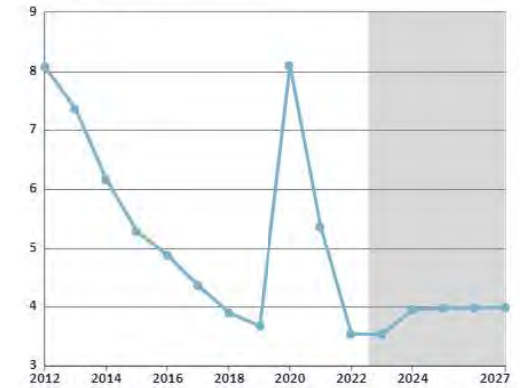


*FOMC is the Federal Open Market Committee within the Federal Reserve System.

OECD: US Unemployment Rate Forecast
% of total labor force



IMF: US Unemployment Rate Forecast
% of total labor force



Source: Knoema, FOMC, OECD, IMF



Outlook



Recap

- Rural Trends
 - Although urban areas of the state make up a large majority of room nights and room tax collections in the state, rural Nevada recovered much quicker after the initial effects of the pandemic than the urban parts of the state, as people were drawn to opportunities that these areas provided that were viewed as safer.
- Travel Trends
 - High prices and the labor shortage are evident among travelers as potential pain points. However, travelers are still indicating that they are receiving value from travel. Also, COVID-19 continues to trend lower as a concern for travelers.
- Economic Trends
 - Rising prices and expectations of interest rate hikes are front of mind for people currently, causing fears of potential increases in unemployment. But, the labor market is strong right now with lots of jobs open for people who are seeking a job along with low unemployment rates.

Outlook

- Short term outlook for travel looks good.
 - As mentioned previously, the labor market is strong and spending remains high which is a good indicator for travel. Also, COVID-19 impacts continue to lower as a concern for travelers.
- Mid-term outlook is a little less certain
 - Consumer sentiment levels are at relative low points. This could be impactful because it could lead to a self-fulfilling prophecy where lower expectations and sentiment leads to lower spending which could impact the economy negatively.
 - Further, with inflation remaining high, the Federal Reserve is expected to keep raising interest rates. This could also lead to lower demand for goods and services as consumers and businesses have less money to spend freely.
 - Expectations are for a bit of an increase in unemployment around 2023, though this is not expected to be drastic. Because of this assumption, our forecast calls for a bit of a softening in room demand around the middle of 2023, but that we will begin an upward trajectory in 2024. Our forecast anticipates room demand to eclipse FY19 levels in FY25.



Division of Insurance

Presentation to the Nevada Economic Forum

October 13, 2022



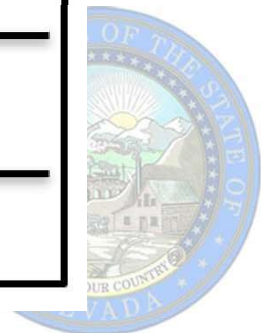
Division of Insurance

Overview of the 2021 Insurance Market in Nevada

Premiums & Deposits by Type of Annual Statement Filing in Nevada

Statement Type	Premium Rank Written	% of Market
Health	\$8,782,065	40%
Life, Accident, and Health	\$6,101,773	28%
Property and Casualty	\$7,049,818	32%
Total Nevada	\$21,933,656	100%

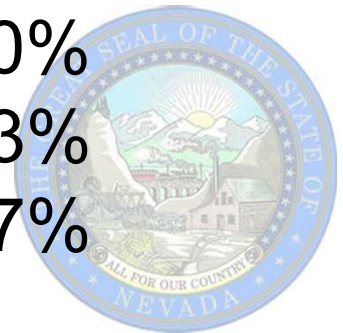
Source: National Association of Insurance Commissioners



Division of Insurance

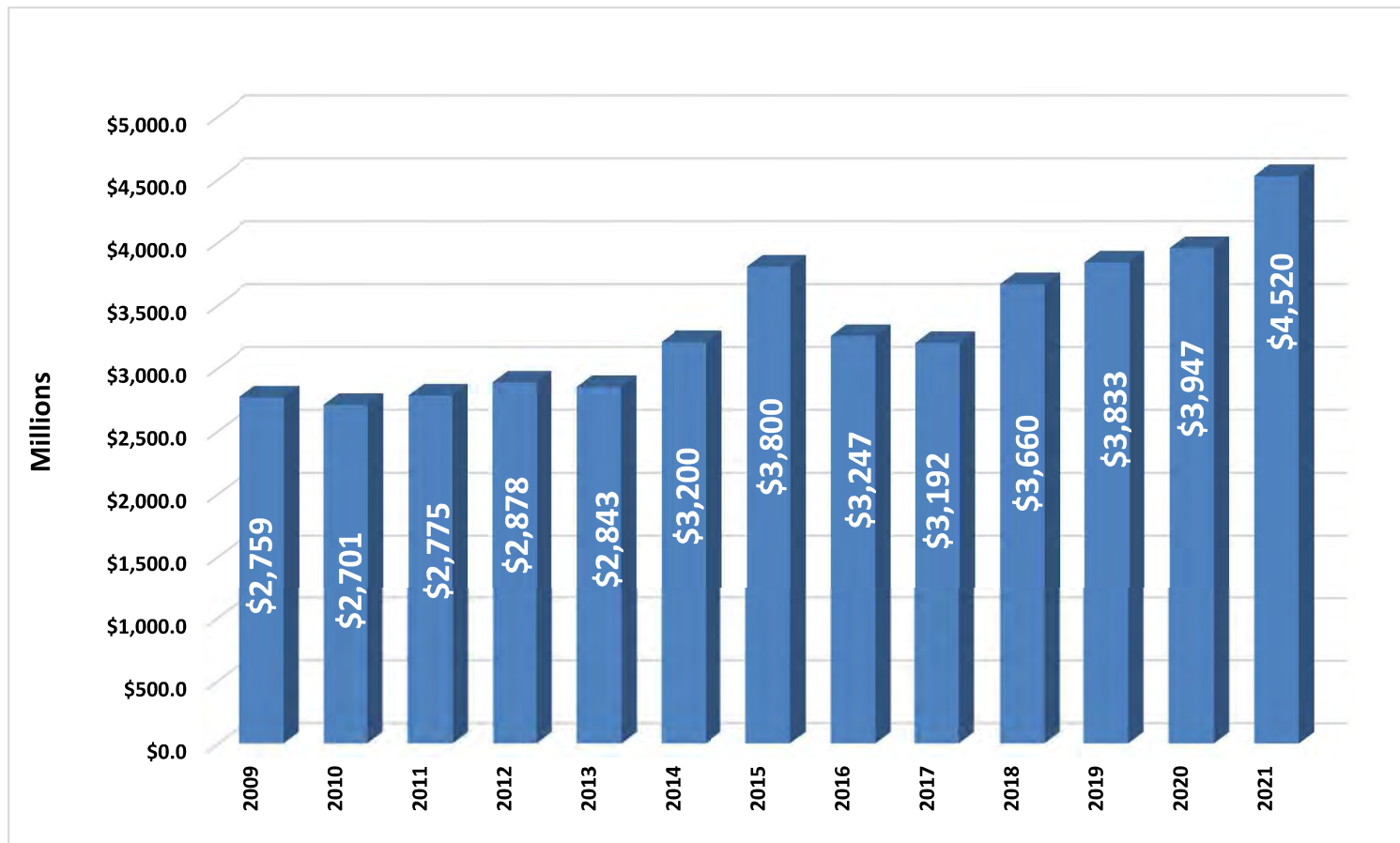
Nevada's Life, Annuities, Accident and Limited Health Products Direct Written Premiums

<u>Year</u>	<u>Written Premium</u>	<u>% Change</u>
2021	\$6,101,773,496	12.0%
2020	\$5,449,108,966	3.4%
2019	\$5,268,917,295	5.5%
2018	\$4,994,130,573	14.3%
2017	\$4,370,649,095	0.4%
2016	\$4,353,061,504	-11.0%
2015	\$4,890,205,830	15.3%
2014	\$4,240,177,811	7.7%
2013	\$3,934,308,941	



Division of Insurance

Premium Written & Deposits for Life Insurance*

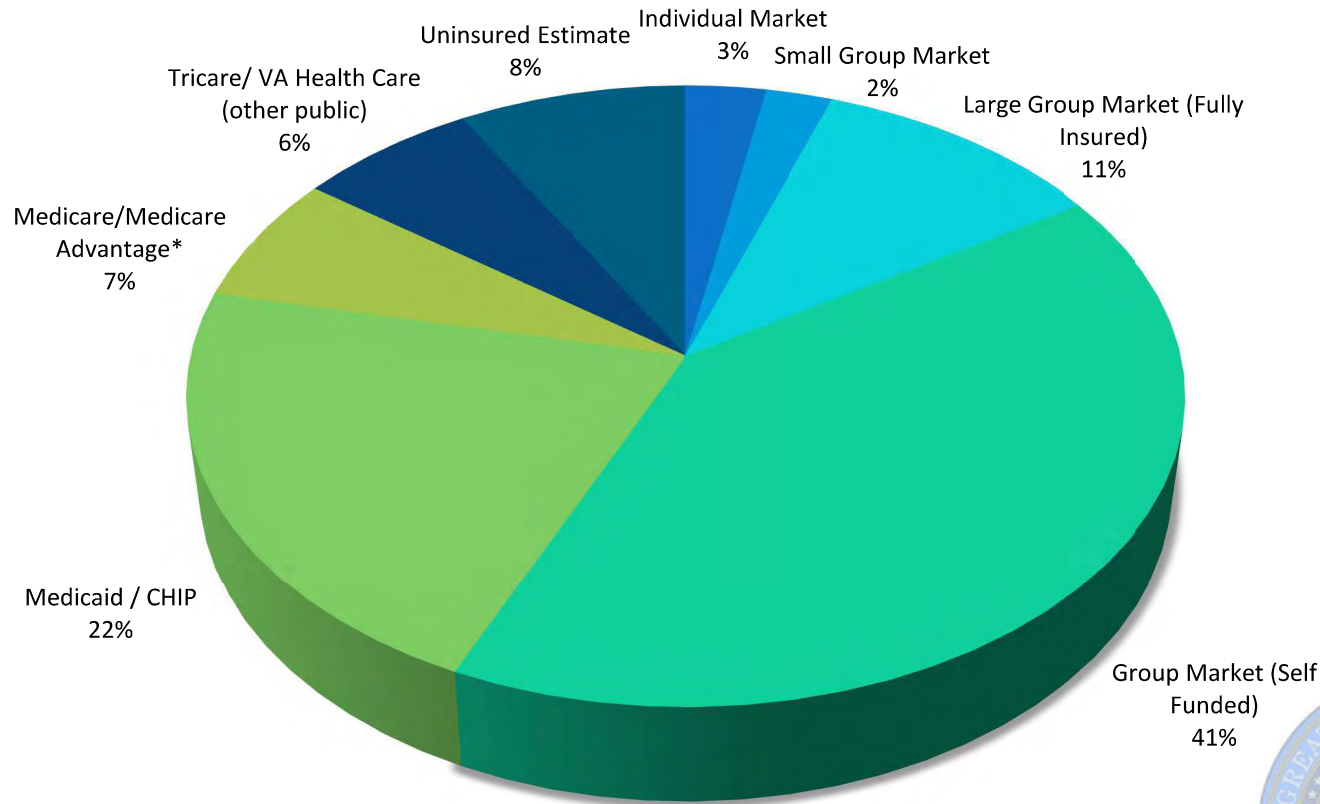


*Figures include Life, Annuities, Deposit Type Funds, and Other Considerations



Division of Insurance

Healthcare Results by Coverage Category*



*Source: Market information is compiled from a variety of sources including the National Association of Insurance Commissioners (NAIC), NV Department of Taxation, Medicaid.gov, CMS.gov, Military Health System, and Census Data



Division of Insurance

Nevada 2020 Health Business Written		
Line of Business	Total Members @ End of Current Year	Direct Premiums Written
Individual Comprehensive	115,084	563,911,235
Group Comprehensive	365,909	1,766,559,988
Medicare Supplement	13,893	34,369,778
Vision Only	192,269	14,002,537
Dental Only	906,694	163,225,269
Federal Employees Health	41,389	250,368,448
Title XVIII Medicare	206,729	2,880,618,524
Title XIX Medicaid	572,874	1,917,171,741
Other	118,862	61,005,934
Totals	2,533,703	7,651,233,454

Nevada 2021 Health Business Written		
Line of Business	Total Members @ End of Current Year	Direct Premiums Written
Individual Comprehensive	129,350	665,943,820
Group Comprehensive	370,810	1,841,534,121
Medicare Supplement	14,869	37,510,893
Vision Only	202,751	15,290,310
Dental Only	1,010,711	183,157,425
Federal Employees Health	41,497	261,514,256
Title XVIII Medicare	228,309	3,239,227,917
Title XIX Medicaid	647,994	2,483,272,755
Other	122,299	54,614,330
Totals	2,768,590	8,782,065,827



Division of Insurance

ACA Health Insurance Markets

- **2020 Total Premium: \$ 2.330B**
 - Individual Premium: \$ 564M
 - Small Group Premium: \$ 423M
 - Large Group Premium: \$ 1.344B
- **2021 Total Premium: \$ 2.507B**
 - Individual Premium: \$ 666M
 - Small Group Premium: \$ 460M
 - Large Group Premium: \$ 1.382B



Division of Insurance

Average Approved Rate Change

Calendar Year	Individual Health Market	Small Group Health Market
2016	8.9%	5.02%
2017	10.75%	3.68%
2018	31.6%	7.91%
2019	0.31%	3.21%
2020	1.60%	3.35%
2021	4.42%	4.57%
2022	4.40%	6.3%
2023	9.0%	7.1%

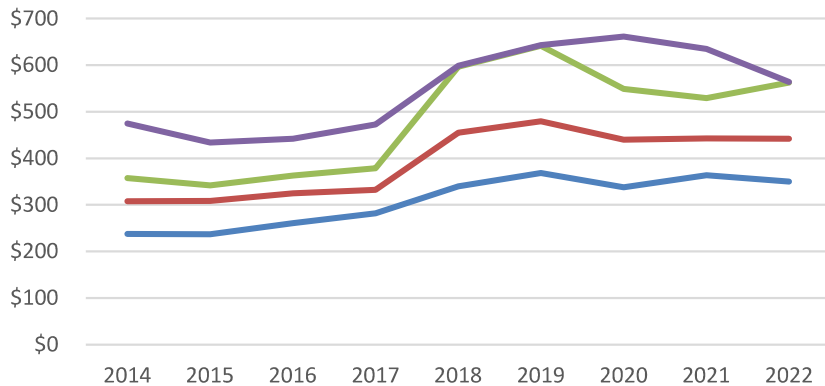


Division of Insurance

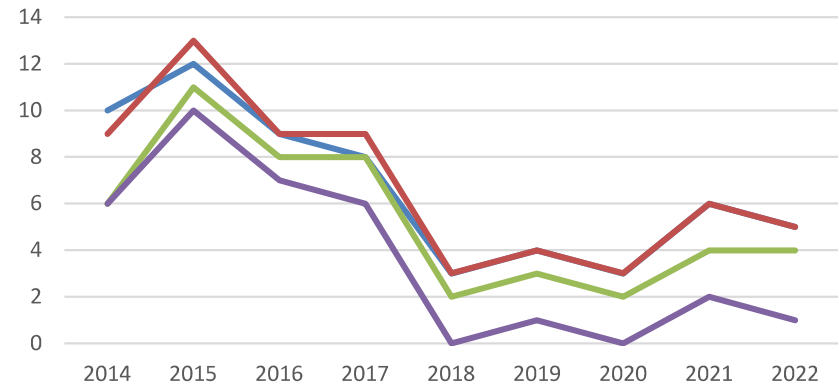
NV Individual Health Insurance Market

Carriers and Sample Average Monthly Premiums

Average Monthly Premium¹



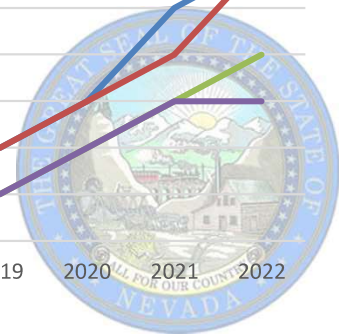
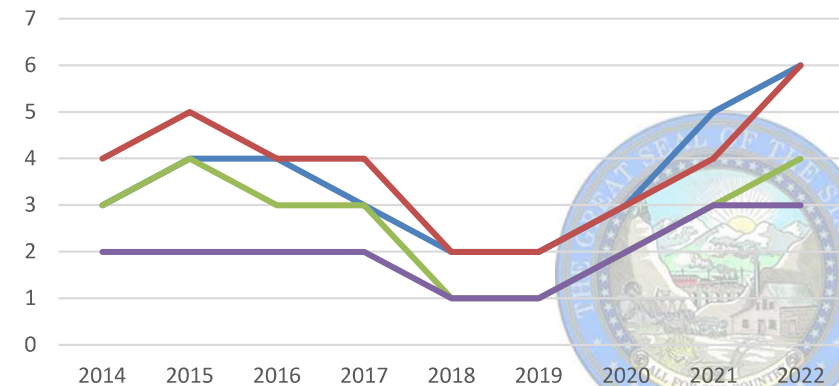
Number Off Exchange Carriers



¹ Based on 40 Year Old

- Area 1: Clark and Nye
- Area 2: Washoe
- Area 3: Carson, Lyon, Storey, Douglas
- Area 4: Remainder of Counties

Number of On Exchange Carriers



Division of Insurance

2020 Premium by Line of Business in Nevada	
Line of Business	Premium Written
Automobile	\$3,265,370,781
Homeowners multiple peril	\$710,140,094
Other	\$650,859,624
Commercial multi peril	\$421,305,976
Workers' compensation	\$409,259,441
Ocean & Inland Marine	\$218,071,351
Fire	\$113,906,265
Allied lines	\$104,053,116
Surety	\$89,500,10
Mortgage guaranty	\$80,730,052
Medical professional liability	\$79,950,300
Farm	\$62,587,935
Earthquake	\$38,148,256
Products liability	\$36,590,806
Aircraft (all perils)	\$35,543,902
Accident & Health	\$33,709,178
Boiler and machinery	\$13,688,484
Fidelity	\$7,830,896
Credit	\$6,427,127
Federal flood	\$6,304,927
Private Flood	\$4,262,592
Burglary and theft	\$3,181,337
Financial guaranty	\$3,076,429
Crop	\$332,502
Total	\$6,394,831,483
Source: National Assn of Insurance Commissioners	

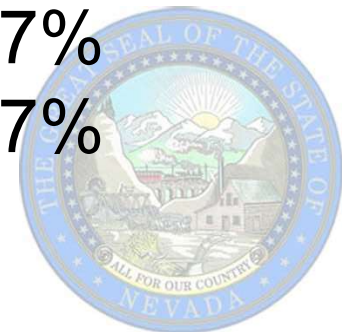


Division of Insurance

Nevada's Property and Casualty Direct Written Premiums

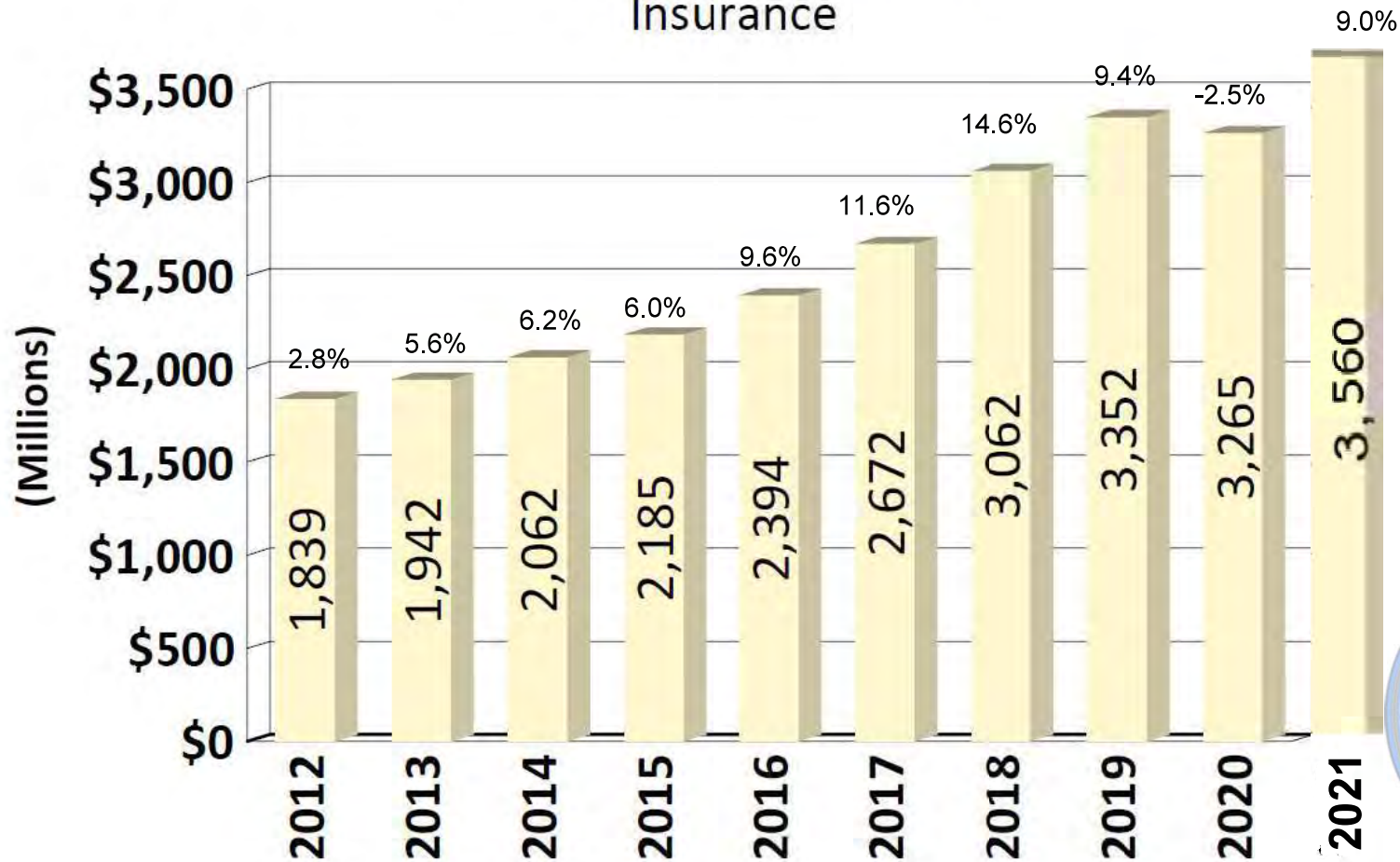
<u>Year</u>	<u>Written Premium</u>	<u>% Change</u>
2021	\$7,049,818,000*	10.2%
2020	\$6,394,831,477	3.4%
2019	\$6,179,343,354	7.7%
2018	\$5,737,552,032	11.5%
2017	\$5,145,426,510	8.5%
2016	\$4,738,983,990	6.6%
2015	\$4,486,525,296	4.7%
2014	\$4,283,884,512	5.7%
2013	\$4,051,358,149	

*- estimated premiums through NAIC I-Site report



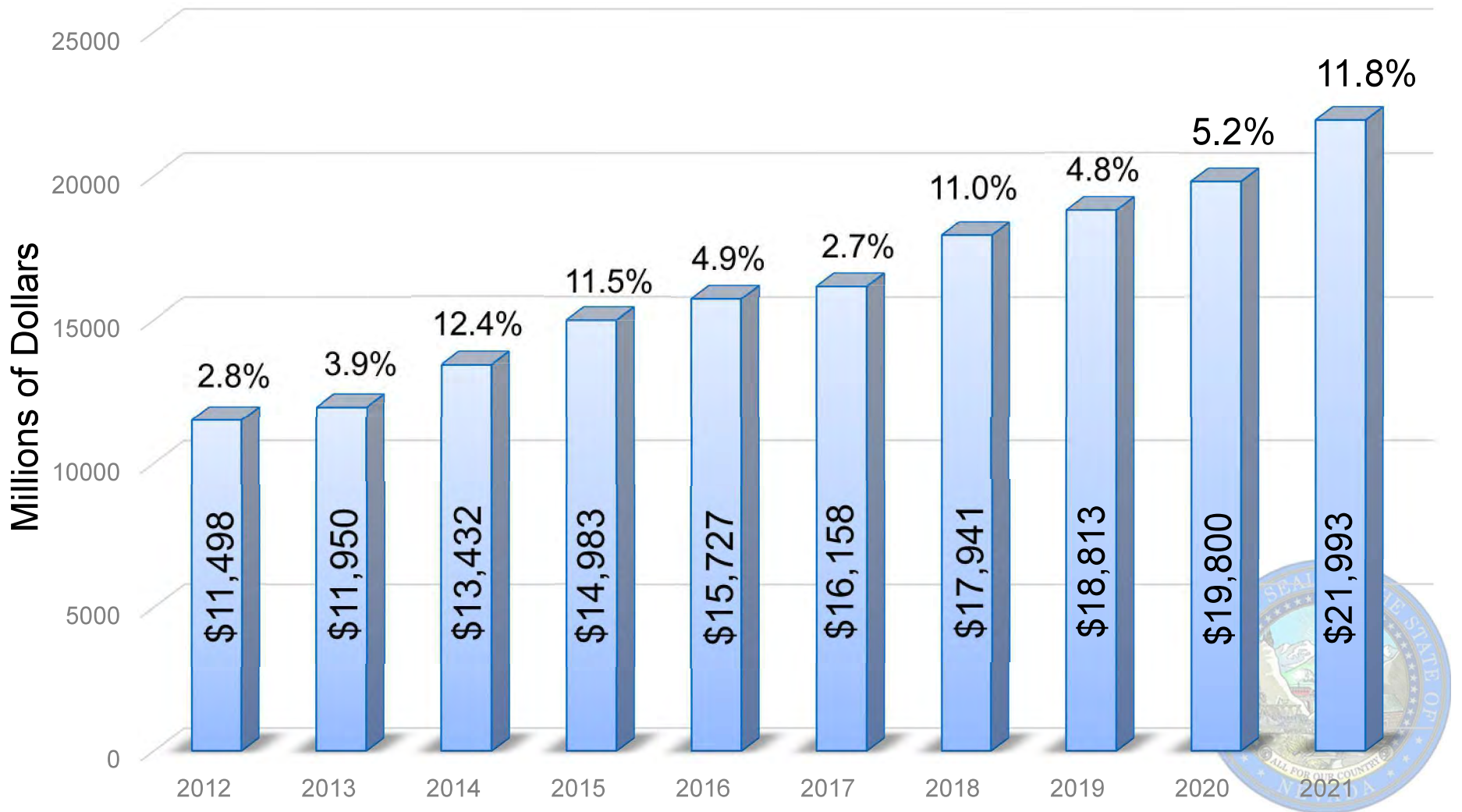
Division of Insurance

Premium Written for Automobile
Insurance



Division of Insurance

Nevada Insurance Written Premiums

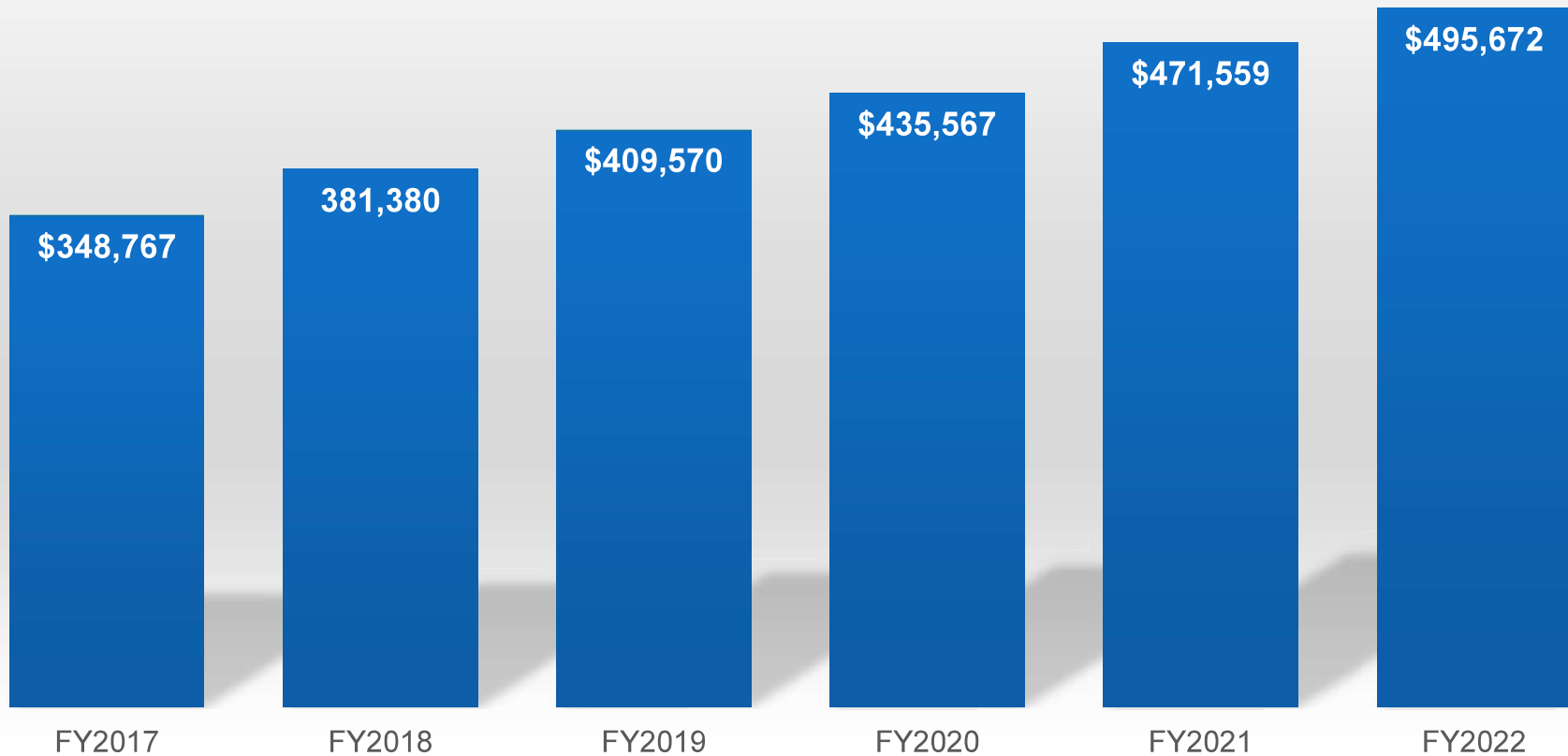


Division of Insurance

Nevada Premium Tax Collections

■ Nevada Premium Tax Collections

Thousands of Dollars



Division of Insurance

QUESTIONS?



Silver State Health Insurance Exchange

Presentation to the Economic Forum

October 13, 2022



nevada
health link

Silver State Health Insurance Exchange



Vision

- Access to health insurance for all Nevadans.


Mission

- To **increase** the number of insured **Nevadans** by facilitating the purchase and sale of health insurance that provides quality health care through the creation of a transparent, simplified marketplace of qualified health plans.

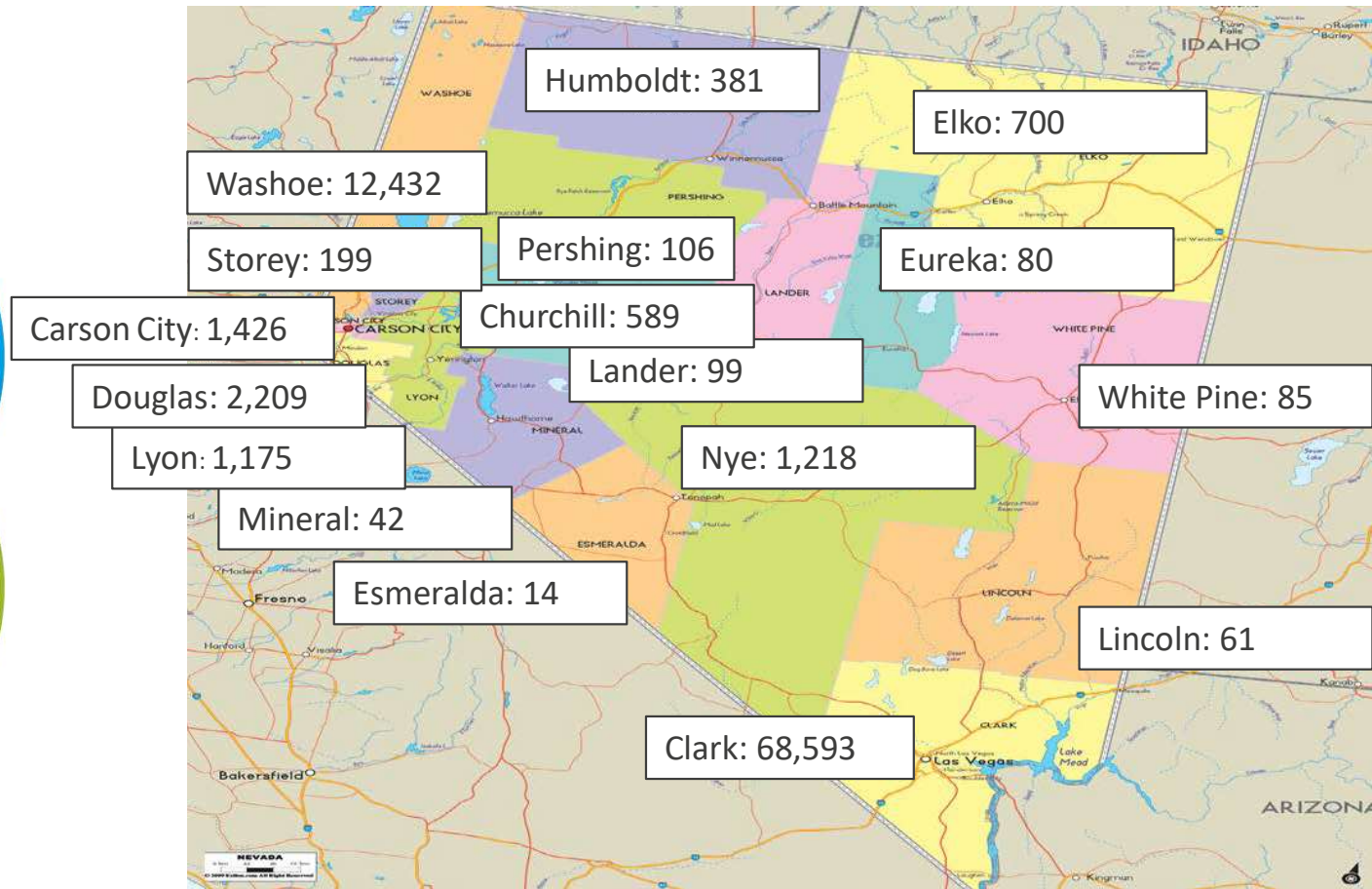
- ## Values

- **Consumer-Focused:** At the center of the Exchange's efforts are the people it serves, including patients and their families, and small business owners and their employees.
- **Innovative:** The Exchange strives to be an innovative and forward-thinking organization.
- **Diversity:** Diverse stakeholder involvement is vital to a successful implementation of the Exchange.
- **Business Friendly:** The Exchange is committed to creating a business-friendly environment for the simple purchase of health insurance.

Silver State Health Insurance Exchange

- 
- The Silver State Health Insurance Exchange is the state agency that operates the online marketplace, Nevada Health Link.
 - We connect Nevadans who are not insured by their employer, Medicaid, or Medicare to comprehensive health insurance coverage.
 - Individuals can purchase Affordable Care Act certified Qualified Health Plans or Qualified Dental Plans through the Exchange. If eligible they can receive subsidy assistance to help offset monthly premium costs.
 - NevadaHealthLink.com is **THE ONLY** site Nevadans can get access to financial assistance.
 - Solely self-funded – no state and limited federal funds to support operations.

2022 Enrollment Geography

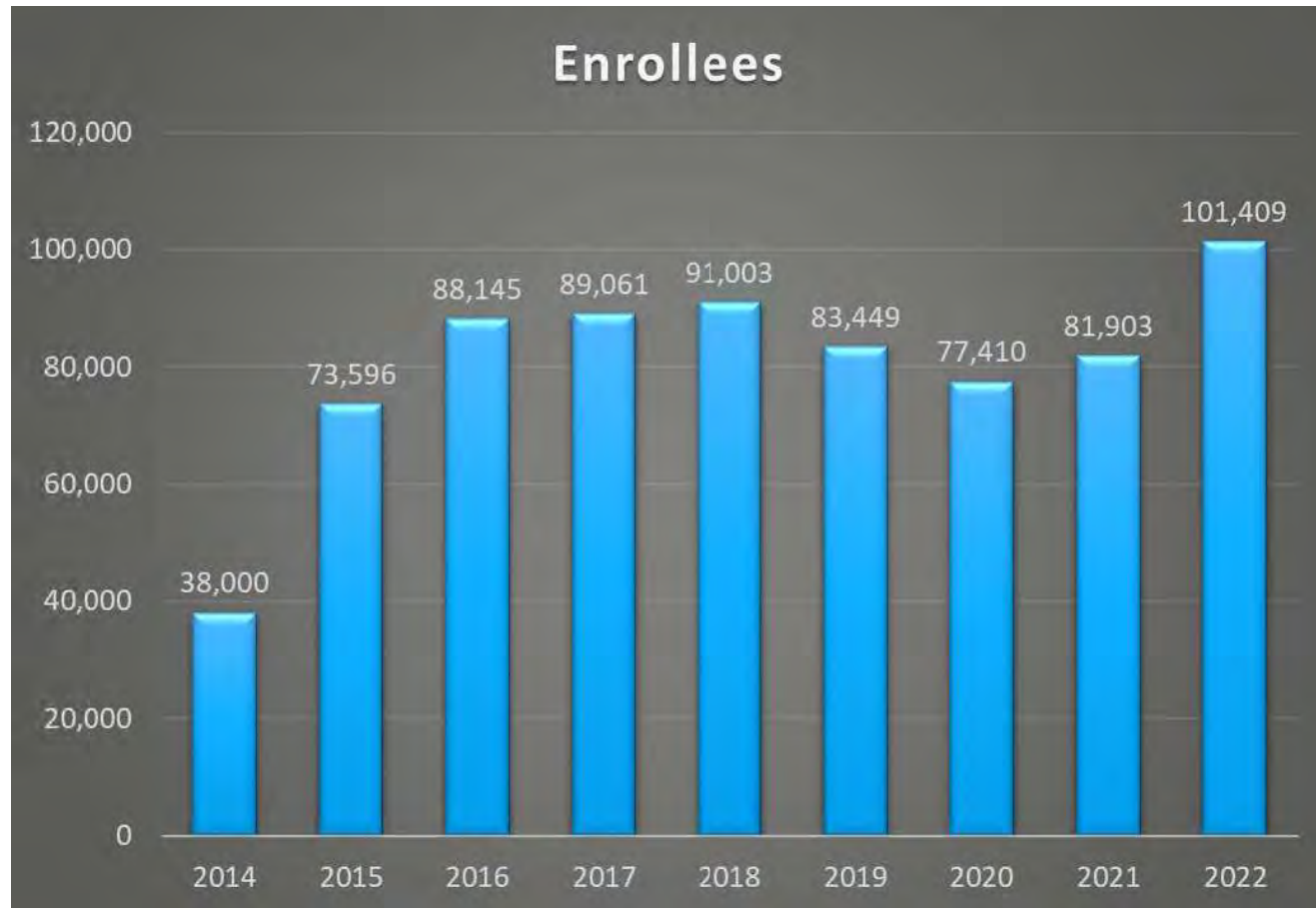


This does not reflect end of Open Enrollment data of 2021.
Current data as of Oct 3, 2022.

2022 Plan Selections

- Metal Levels
 - .4% Catastrophic
 - 38.8% Bronze
 - 58.2% Silver
 - 4.7% Gold
- Premiums and Financial Assistance
 - 88% percent of enrollees are receiving subsidies
 - Almost half of NV consumers are paying \$100 or less for their monthly premium

Year over Year Enrollments



connecting you to health insurance


2022 Enrollment Demographics

- Final Plan Selections-101,409
- Female-**52.81%**: Male-**47.19%**
- Age
 - <18-34 years old **15.34%**
 - Between 18-34 years old-**23.93%**
 - Between 35-54 years old-**34.6%**
 - 55+ years old-**26.13%**

American Rescue Plan Act of 2022

- APRA increased the amount of subsidies and tax credits.
- Including for those making more than 400 percent of the federal poverty level.

Pre vs Post ARPA

- 
- In PY20 **85.26%** of enrolled consumers utilized APTC
 - In PY22 **90.06%** of enrolled consumers utilize APTC
 - This means we saw a 5% increase in enrollee's utilization of APTC post-ARPA

 - The statewide average premium pre-ARPA was **\$366.19**
 - The current statewide average premium is \$293.89
 - The statewide average premium has reduced by **\$72.30** post-ARPA



Pre vs Post ARPA Monthly Premiums

- 61-year-old in Incline Village (89451) went from \$704.19 (no subsidies) to \$254.71 monthly premium
- Family of 2 (61 & 64) in Las Vegas (89104) went from \$225.52 to \$202.90 monthly premium.
- Family of 4 (ages 47, 31, 8 & 6) in Las Vegas (89141) went from \$348.71 to a \$0 monthly premium
- 45-year-old in Las Vegas (89123) went from \$120.92 to \$13.70 monthly premium
- Family of 2 (57 & 21) in Henderson (89052) went from \$148.29 to \$102.35
- Family of 5 (ages 58, 53, 19, 16, 18) in Elko County (89815) went from \$3,617.50 (no subsidies) to \$483.64 monthly premium
- Family of 3 (ages 67, 52 & 15) in Las Vegas (89130) went from \$404.09 to \$0 monthly premium
- Family of 2 (76 & 78) in Las Vegas (89145) went from \$316.78 to \$12.88
- 29-year-old in Las Vegas (89141) went from \$320.34 to \$39.40

Open Enrollment 2023


- 163 QHP Plans – Seven Carriers
 - All seven carriers are returning; Aetna Health, Health Plan of Nevada, Silver Summit, Anthem HMO Nevada, SelectHealth, Hometown, and Friday Health Plans
 - Catastrophic; Bronze; Silver; Gold
 - Counties: Clark County and Nye County will have the choice from 104 plans offered and all 7 carriers.
 - 88 plans are available in Washoe County from Aetna, Hometown Health Plan, HPN,, Anthem HMO Nevada, and Friday Health Plans.
 - 58 plans are available in Carson City and rural counties Douglas, Lyon, and Storey from Hometown Health Plan, SilverSummit, Anthem HMO Nevada, and Friday Health Plans.
 - 51 plans are available in Churchill, Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Mineral, Pershing, and White Pine
 - 18 Qualified Dental Plans – Five dental carriers (Alpha, EMI, Delta, Best, and Rocky Mountain)
- The final average rate change on Exchange is 9.2% increase.
- 7 Navigator Grantees, 7 Broker grantees

Inflation Reduction Act (IRA)

- Thanks to the recently passed Inflation Reduction Act (IRA) this milestone achievement will extend the expansion of the premium tax credits on Affordable Care Act (ACA) plans outlined in the American Rescue Plan until 2025.
- The National Academy for State Health Policy (NASHP) estimates that Nevada consumers between 250-400% of FPL experienced approximately a 50% decrease in out-of-pocket premiums.
- The law also increases the amount of financial assistance for people at lower incomes who were already eligible for financial assistance.
 - People up to 150% of FPL can get silver plans for zero premiums and reduced deductibles.



Family Glitch

- 
- As a result of the Family Glitch, family members of workers — primarily low-income workers — are ineligible to receive premium tax credits through the marketplace even when family coverage is unaffordable.
 - The Biden administration is actively working to fix the family glitch
 - Nevada Health Link will have a calculator on the platform and provide fact sheets and learning materials when/ if the law is passed.

PHE Unwinding

In 2020, The U.S. Department of Health & Human Services declared the U.S. to be in a Public Health Emergency (PHE). When the PHE ends (date yet to be determined), Nevadans enrolled in Medicaid will need to take action to renew their coverage and not lose health insurance. Nevada Health Link is working closely with Nevada Medicaid to inform Nevadans about renewing their coverage and exploring health insurance options if they no longer qualify for Medicaid.

What we've done so far:

- Print & distribute poster to our community partners



- Paid Social Media Posts



- Updated Medicaid Information Page: <https://www.nevadahealthlink.com/medicaid-information/>
- Partner Toolkit: <https://www.nevadahealthlink.com/toolkits/>
- PHE Unwinding Blog: <https://www.nevadahealthlink.com/insurance/pandemic-resources-could-end-soon-heres-what-you-need-to-know-about-your-continuous-coverage-options/>

Nevada is ahead of the curve in preparing for the unwinding:

1. State's unwinding plan or a summary
2. Specific info about unwinding
3. Alert to update contact info
4. Communications materials/ toolkits for partners
5. Unwinding FAQ
6. Unwinding data

<https://ccf.georgetown.edu/2022/09/06/state-unwinding-tracker/>

Q & A

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TABLE 1

Actual Collections versus December 3, 2020, and May 4, 2021, Forecasts by Forecaster for FY 2021 and FY 2022

Actual and Forecast Collections are in Millions of Dollars

Dollar Difference (\$ Diff) Computed on an Actual Collections Minus Forecast Collections Basis and Percent Difference (% Diff) is Dollar Difference Divided by Actual Collections

ACTUAL versus FORECAST	FY 2021						FY 2022					
	December 3, 2020 Forecast			May 4, 2021 Forecast			December 3, 2020 Forecast			May 4, 2021 Forecast		
	Current Year Forecast			Current Year Forecast			1-Year Ahead Forecast			1-Year Ahead Forecast		
	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff
MAJOR GENERAL FUND REVENUE SOURCES												
Sales and Use Tax-Actual	\$1,325.814			\$1,325.814			\$1,613.342			\$1,613.342		
Economic Forum-Forecast	\$1,178.675	\$147.139	11.10%	\$1,242.518	\$83.296	6.28%	\$1,206.567	\$406.775	25.21%	\$1,301.969	\$311.373	19.30%
Agency-Forecast	\$1,187.109	\$138.706	10.46%	\$1,227.557	\$98.257	7.41%	\$1,223.735	\$389.607	24.15%	\$1,315.312	\$298.030	18.47%
Fiscal Division-Forecast	\$1,203.881	\$121.933	9.20%	\$1,242.518	\$83.296	6.28%	\$1,254.748	\$358.594	22.23%	\$1,301.969	\$311.373	19.30%
Budget Division-Forecast	\$1,185.193	\$140.621	10.61%	\$1,225.754	\$100.060	7.55%	\$1,234.971	\$378.371	23.45%	\$1,301.750	\$311.591	19.31%
Moody's-Forecast	\$1,202.340	\$123.474	9.31%	\$1,266.180	\$59.634	4.50%	\$1,210.220	\$403.122	24.99%	\$1,344.930	\$268.412	16.64%
Percentage Fees Tax-Actual (1.)	\$685.144			\$685.144			\$964.214			\$964.214		
Economic Forum-Forecast	\$548.333	\$136.811	19.97%	\$633.082	\$52.062	7.60%	\$667.051	\$297.163	30.82%	\$709.309	\$254.905	26.44%
Agency-Forecast	\$525.629	\$159.515	23.28%	\$633.082	\$52.062	7.60%	\$613.541	\$350.673	36.37%	\$709.309	\$254.905	26.44%
Fiscal Division-Forecast	\$548.333	\$136.811	19.97%	\$632.320	\$52.824	7.71%	\$703.765	\$260.449	27.01%	\$713.106	\$251.108	26.04%
Budget Division-Forecast	\$538.293	\$146.852	21.43%	\$603.806	\$81.338	11.87%	\$667.051	\$297.163	30.82%	\$689.188	\$275.026	28.52%
Moody's-Forecast	\$528.950	\$156.194	22.80%	\$535.250	\$149.894	21.88%	\$541.360	\$422.854	43.85%	\$619.720	\$344.494	35.73%
Insurance Premium Tax-Actual (1.)	\$491.567			\$491.567			\$541.092			\$541.092		
Economic Forum-Forecast	\$479.199	\$12.368	2.52%	\$477.449	\$14.118	2.87%	\$496.540	\$44.552	8.23%	\$498.494	\$42.598	7.87%
Agency-Forecast	\$479.199	\$12.368	2.52%	\$478.615	\$12.952	2.63%	\$496.540	\$44.552	8.23%	\$497.319	\$43.773	8.09%
Fiscal Division-Forecast	\$479.398	\$12.169	2.48%	\$477.449	\$14.118	2.87%	\$497.994	\$43.098	7.97%	\$498.494	\$42.598	7.87%
Budget Division-Forecast	\$463.648	\$27.919	5.68%	\$474.065	\$17.502	3.56%	\$481.997	\$59.095	10.92%	\$493.256	\$47.836	8.84%
Modified Business Tax (MBT)-Actual (1.)(2.)	\$641.455			\$641.455			\$815.406			\$815.406		
Economic Forum-Forecast	\$596.641	\$44.814	6.99%	\$638.856	\$2.599	0.41%	\$653.601	\$161.805	19.84%	\$705.519	\$109.887	13.48%
Agency-Forecast	\$564.485	\$76.970	12.00%	\$636.791	\$4.664	0.73%	\$629.327	\$186.080	22.82%	\$723.437	\$91.969	11.28%
Fiscal Division-Forecast	\$601.215	\$40.240	6.27%	\$628.509	\$12.946	2.02%	\$659.933	\$155.473	19.07%	\$698.710	\$116.696	14.31%
Budget Division-Forecast	\$597.854	\$43.601	6.80%	\$639.006	\$2.449	0.38%	\$654.983	\$160.424	19.67%	\$705.567	\$109.840	13.47%
MBT Nonfinancial-Actual (1.)(2.)	\$579.938			\$579.938			\$747.602			\$747.602		
Economic Forum-Forecast	\$540.603	\$39.335	6.78%	\$579.691	\$0.247	0.04%	\$594.087	\$153.515	20.53%	\$641.875	\$105.727	14.14%
Agency-Forecast	\$509.072	\$70.865	12.22%	\$580.559	-\$0.621	-0.11%	\$568.943	\$178.659	23.90%	\$660.380	\$87.222	11.67%
Fiscal Division-Forecast	\$545.177	\$34.761	5.99%	\$568.222	\$11.716	2.02%	\$600.419	\$147.183	19.69%	\$634.088	\$113.514	15.18%
Budget Division-Forecast	\$540.603	\$39.335	6.78%	\$579.691	\$0.247	0.04%	\$594.087	\$153.515	20.53%	\$641.875	\$105.727	14.14%
MBT Financial-Actual (1.)(2.)	\$42.364			\$42.364			\$46.926			\$46.926		
Economic Forum-Forecast	\$35.611	\$6.753	15.94%	\$39.553	\$2.811	6.64%	\$36.812	\$10.114	21.55%	\$41.734	\$5.192	11.06%
Agency-Forecast	\$35.508	\$6.856	16.18%	\$36.647	\$5.717	13.50%	\$37.660	\$9.266	19.75%	\$41.147	\$5.779	12.32%
Fiscal Division-Forecast	\$35.611	\$6.753	15.94%	\$40.675	\$1.689	3.99%	\$36.812	\$10.114	21.55%	\$42.916	\$4.010	8.55%
Budget Division-Forecast	\$36.972	\$5.392	12.73%	\$39.553	\$2.812	6.64%	\$38.462	\$8.465	18.04%	\$41.734	\$5.193	11.07%

TABLE 1**Actual Collections versus December 3, 2020, and May 4, 2021, Forecasts by Forecaster for FY 2021 and FY 2022**

Actual and Forecast Collections are in Millions of Dollars

Dollar Difference (\$ Diff) Computed on an Actual Collections Minus Forecast Collections Basis and Percent Difference (% Diff) is Dollar Difference Divided by Actual Collections

ACTUAL versus FORECAST	FY 2021						FY 2022					
	December 3, 2020 Forecast			May 4, 2021 Forecast			December 3, 2020 Forecast			May 4, 2021 Forecast		
	Current Year Forecast			Current Year Forecast			1-Year Ahead Forecast			1-Year Ahead Forecast		
	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff
MBT Mining-Actual (1.)(2.)	\$19.153			\$19.153			\$20.878			\$20.878		
Economic Forum-Forecast	\$20.427	-\$1.274	-6.65%	\$19.612	-\$0.459	-2.40%	\$22.702	-\$1.824	-8.74%	\$21.910	-\$1.032	-4.94%
Agency-Forecast	\$19.904	-\$0.751	-3.92%	\$19.585	-\$0.432	-2.26%	\$22.723	-\$1.845	-8.84%	\$21.910	-\$1.032	-4.94%
Fiscal Division-Forecast	\$20.427	-\$1.274	-6.65%	\$19.612	-\$0.459	-2.40%	\$22.702	-\$1.824	-8.74%	\$21.706	-\$0.828	-3.97%
Budget Division-Forecast	\$20.279	-\$1.126	-5.88%	\$19.762	-\$0.610	-3.18%	\$22.434	-\$1.556	-7.45%	\$21.958	-\$1.080	-5.17%
Live Entertainment Tax (Total)-Actual	\$11.080			\$11.080			\$139.156			\$139.156		
Economic Forum-Forecast	\$6.205	\$4.875	67.00%	\$5.179	\$5.901	81.10%	\$64.397	\$74.759	75.25%	\$61.450	\$77.706	78.21%
Agency-Forecast	\$7.550	\$3.530	48.51%	\$5.179	\$5.900	81.09%	\$61.550	\$77.606	78.11%	\$88.990	\$50.166	50.49%
Fiscal Division-Forecast	\$7.417	\$3.663	50.34%	\$3.630	\$7.450	102.39%	\$69.694	\$69.462	69.91%	\$53.118	\$86.038	86.60%
Budget Division-Forecast	\$7.688	\$3.391	46.61%	\$4.386	\$6.694	92.00%	\$86.735	\$52.421	52.76%	\$86.735	\$52.421	52.76%
Live Entertainment Tax (Gaming)-Actual	\$7.276			\$7.276			\$99.353			\$99.353		
Economic Forum-Forecast	\$1.082	\$6.194	85.13%	\$3.729	\$3.547	48.75%	\$45.450	\$53.903	54.25%	\$45.450	\$53.903	54.25%
Agency-Forecast	\$2.550	\$4.726	64.95%	\$3.729	\$3.547	48.74%	\$45.450	\$53.903	54.25%	\$72.990	\$26.363	26.53%
Fiscal Division-Forecast	\$1.082	\$6.194	85.13%	\$2.421	\$4.855	66.73%	\$50.562	\$48.791	49.11%	\$38.929	\$60.424	60.82%
Budget Division-Forecast	\$2.565	\$4.711	64.75%	\$2.896	\$4.381	60.20%	\$67.788	\$31.565	31.77%	\$67.788	\$31.565	31.77%
Live Entertainment Tax (Non-Gaming)-Actual	\$3.804			\$3.804			\$39.802			\$39.802		
Economic Forum-Forecast	\$5.123	-\$1.319	-34.68%	\$1.450	\$2.354	61.88%	\$18.947	\$20.855	52.40%	\$16.000	\$23.802	59.80%
Agency-Forecast	\$5.000	-\$1.196	-31.45%	\$1.450	\$2.354	61.88%	\$16.100	\$23.702	59.55%	\$16.000	\$23.802	59.80%
Fiscal Division-Forecast	\$6.335	-\$2.531	-66.55%	\$1.209	\$2.595	68.22%	\$19.132	\$20.670	51.93%	\$14.189	\$25.613	64.35%
Budget Division-Forecast	\$5.123	-\$1.320	-34.69%	\$1.490	\$2.313	60.82%	\$18.947	\$20.855	52.40%	\$18.947	\$20.855	52.40%
Real Property Transfer Tax-Actual	\$133.908			\$133.908			\$177.691			\$177.691		
Economic Forum-Forecast	\$106.507	\$27.401	20.46%	\$124.188	\$9.720	7.26%	\$105.460	\$72.231	40.65%	\$125.739	\$51.952	29.24%
Agency-Forecast	\$106.507	\$27.401	20.46%	\$124.054	\$9.854	7.36%	\$105.460	\$72.231	40.65%	\$118.278	\$59.413	33.44%
Fiscal Division-Forecast	\$109.615	\$24.293	18.14%	\$124.188	\$9.720	7.26%	\$111.670	\$66.021	37.15%	\$125.739	\$51.952	29.24%
Budget Division-Forecast	\$102.151	\$31.756	23.72%	\$121.278	\$12.630	9.43%	\$104.308	\$73.383	41.30%	\$117.401	\$60.290	33.93%
Commerce Tax-Actual	\$221.958			\$221.958			\$281.882			\$281.882		
Economic Forum-Forecast	\$191.937	\$30.021	13.53%	\$224.353	-\$2.395	-1.08%	\$201.028	\$80.854	28.68%	\$228.516	\$53.366	18.93%
Agency-Forecast	\$191.937	\$30.021	13.53%	\$224.353	-\$2.395	-1.08%	\$201.028	\$80.854	28.68%	\$228.516	\$53.366	18.93%
Fiscal Division-Forecast	\$191.937	\$30.021	13.53%	\$224.353	-\$2.395	-1.08%	\$201.028	\$80.854	28.68%	\$228.516	\$53.366	18.93%
Budget Division-Forecast	\$191.937	\$30.021	13.53%	\$224.353	-\$2.395	-1.08%	\$201.028	\$80.854	28.68%	\$228.516	\$53.366	18.93%
Total: Major Revenue Sources-Actual (1.)	\$3,510.926			\$3,510.926			\$4,532.783			\$4,532.783		
Economic Forum-Forecast	\$3,107.497	\$403.429	11.49%	\$3,345.625	\$165.301	4.71%	\$3,394.644	\$1,138.139	25.11%	\$3,630.996	\$901.787	19.89%
Agency-Forecast	\$3,062.415	\$448.511	12.77%	\$3,329.632	\$181.294	5.16%	\$3,331.181	\$1,201.602	26.51%	\$3,681.161	\$851.622	18.79%
Fiscal Division-Forecast	\$3,141.796	\$369.130	10.51%	\$3,332.967	\$177.959	5.07%	\$3,498.832	\$1,033.951	22.81%	\$3,619.652	\$913.131	20.15%
Budget Division-Forecast	\$3,086.764	\$424.162	12.08%	\$3,292.647	\$218.279	6.22%	\$3,431.073	\$1,101.709	24.31%	\$3,622.413	\$910.370	20.08%

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ACTUAL versus FORECAST	FY 2021						FY 2022					
	December 3, 2020 Forecast			May 4, 2021 Forecast			December 3, 2020 Forecast			May 4, 2021 Forecast		
	Current Year Forecast			Current Year Forecast			1-Year Ahead Forecast			1-Year Ahead Forecast		
	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff
SELECT NON-MAJOR GENERAL FUND REVENUE SOURCES												
Cigarette Tax-Actual	\$152.702			\$152.702			\$144.069			\$144.069		
Economic Forum-Forecast	\$147.653	\$5.049	3.31%	\$149.659	\$3.043	1.99%	\$144.554	-\$0.485	-0.34%	\$145.743	-\$1.674	-1.16%
Agency-Forecast	\$142.000	\$10.702	7.01%	\$148.556	\$4.146	2.71%	\$140.000	\$4.069	2.82%	\$140.692	\$3.377	2.34%
Fiscal Division-Forecast	\$150.475	\$2.227	1.46%	\$150.584	\$2.118	1.39%	\$148.497	-\$4.428	-3.07%	\$148.936	-\$4.867	-3.38%
Budget Division-Forecast	\$150.483	\$2.219	1.45%	\$149.837	\$2.864	1.88%	\$145.166	-\$1.097	-0.76%	\$147.600	-\$3.531	-2.45%
Governmental Services Tax-Actual	\$101.417			\$101.417			\$26.431			\$26.431		
Economic Forum-Forecast	\$94.266	\$7.151	7.05%	\$100.822	\$0.595	0.59%	\$23.703	\$2.728	10.32%	\$25.556	\$0.875	3.31%
Agency-Forecast	\$82.223	\$19.195	18.93%	\$99.426	\$1.992	1.96%	\$20.556	\$5.875	22.23%	\$23.703	\$2.728	10.32%
Fiscal Division-Forecast	\$96.326	\$5.091	5.02%	\$100.859	\$0.558	0.55%	\$24.394	\$2.037	7.71%	\$25.735	\$0.696	2.63%
Budget Division-Forecast	\$92.205	\$9.212	9.08%	\$100.785	\$0.632	0.62%	\$23.012	\$3.419	12.93%	\$25.377	\$1.054	3.99%
Business License Fee-Actual	\$113.217			\$113.217			\$119.544			\$119.544		
Economic Forum-Forecast	\$101.355	\$11.862	10.48%	\$109.440	\$3.777	3.34%	\$102.461	\$17.083	14.29%	\$109.478	\$10.066	8.42%
Agency-Forecast	\$101.153	\$12.064	10.66%	\$108.957	\$4.260	3.76%	\$105.165	\$14.379	12.03%	\$110.461	\$9.083	7.60%
Fiscal Division-Forecast	\$102.384	\$10.833	9.57%	\$111.181	\$2.036	1.80%	\$100.183	\$19.361	16.20%	\$110.111	\$9.433	7.89%
Budget Division-Forecast	\$100.528	\$12.690	11.21%	\$108.183	\$5.034	4.45%	\$102.035	\$17.509	14.65%	\$107.862	\$11.682	9.77%
Liquor Tax-Actual	\$43.549			\$43.549			\$50.393			\$50.393		
Economic Forum-Forecast	\$38.917	\$4.632	10.64%	\$40.379	\$3.170	7.28%	\$40.896	\$9.497	18.85%	\$42.635	\$7.758	15.39%
Agency-Forecast	\$38.000	\$5.549	12.74%	\$41.487	\$2.062	4.73%	\$42.000	\$8.393	16.65%	\$43.913	\$6.480	12.86%
Fiscal Division-Forecast	\$38.970	\$4.579	10.51%	\$39.138	\$4.411	10.13%	\$39.711	\$10.682	21.20%	\$41.752	\$8.641	17.15%
Budget Division-Forecast	\$39.781	\$3.768	8.65%	\$40.513	\$3.036	6.97%	\$40.977	\$9.415	18.68%	\$42.241	\$8.151	16.18%
Other Tobacco Tax-Actual	\$32.337			\$32.337			\$35.755			\$35.755		
Economic Forum-Forecast	\$30.011	\$2.326	7.19%	\$31.165	\$1.172	3.62%	\$31.552	\$4.203	11.76%	\$32.494	\$3.261	9.12%
Agency-Forecast	\$30.689	\$1.648	5.10%	\$30.890	\$1.447	4.47%	\$31.424	\$4.331	12.11%	\$32.534	\$3.221	9.01%
Fiscal Division-Forecast	\$30.930	\$1.407	4.35%	\$31.758	\$0.579	1.79%	\$32.428	\$3.327	9.31%	\$32.868	\$2.887	8.07%
Budget Division-Forecast	\$28.412	\$3.925	12.14%	\$30.846	\$1.491	4.61%	\$30.803	\$4.952	13.85%	\$32.080	\$3.675	10.28%
SOS Commercial Filings-Actual	\$84.354			\$84.354			\$88.574			\$88.574		
Economic Forum-Forecast	\$71.594	\$12.760	15.13%	\$74.254	\$10.100	11.97%	\$72.284	\$16.290	18.39%	\$73.965	\$14.609	16.49%
Agency-Forecast	\$68.930	\$15.424	18.29%	\$68.930	\$15.424	18.29%	\$70.000	\$18.574	20.97%	\$70.000	\$18.574	20.97%
Fiscal Division-Forecast	\$75.172	\$9.182	10.89%	\$79.953	\$4.401	5.22%	\$75.493	\$13.081	14.77%	\$77.336	\$11.238	12.69%
Budget Division-Forecast	\$70.681	\$13.673	16.21%	\$73.881	\$10.473	12.42%	\$71.359	\$17.216	19.44%	\$74.559	\$14.016	15.82%

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	Current Year Forecast			Current Year Forecast			1-Year Ahead Forecast			1-Year Ahead Forecast		
	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff
SOS Securities-Actual	\$32.033			\$32.033			\$35.068			\$35.068		
Economic Forum-Forecast	\$31.494	\$0.539	1.68%	\$31.817	\$0.216	0.67%	\$31.805	\$3.263	9.30%	\$32.132	\$2.936	8.37%
Agency-Forecast	\$32.000	\$0.033	0.10%	\$32.000	\$0.033	0.10%	\$32.000	\$3.068	8.75%	\$32.000	\$3.068	8.75%
Fiscal Division-Forecast	\$30.685	\$1.348	4.21%	\$31.654	\$0.379	1.18%	\$31.145	\$3.923	11.19%	\$32.128	\$2.940	8.38%
Budget Division-Forecast	\$31.796	\$0.237	0.74%	\$31.796	\$0.237	0.74%	\$32.269	\$2.799	7.98%	\$32.269	\$2.799	7.98%
Short-Term Car Rental Tax-Actual (3.)	\$45.687			\$45.687			\$74.584			\$74.584		
Economic Forum-Forecast	\$36.624	\$9.063	19.84%	\$38.104	\$7.583	16.60%	\$43.883	\$30.701	41.16%	\$46.580	\$28.004	37.55%
Agency-Forecast	\$37.000	\$8.687	19.01%	\$38.000	\$7.687	16.83%	\$40.750	\$33.834	45.36%	\$45.750	\$28.834	38.66%
Fiscal Division-Forecast	\$37.602	\$8.085	17.70%	\$38.723	\$6.964	15.24%	\$44.548	\$30.036	40.27%	\$48.488	\$26.096	34.99%
Budget Division-Forecast	\$35.646	\$10.041	21.98%	\$37.588	\$8.099	17.73%	\$43.219	\$31.366	42.05%	\$45.501	\$29.083	38.99%
Net Proceeds of Minerals Tax-Actual	\$177.607			\$177.607			\$71.267			\$71.267		
Economic Forum-Forecast	\$130.207	\$47.400	26.69%	\$177.744	-\$0.137	-0.08%	\$57.321	\$13.946	19.57%	\$76.026	-\$4.759	-6.68%
Agency-Forecast	\$128.291	\$49.316	27.77%	\$177.744	-\$0.137	-0.08%	\$60.582	\$10.685	14.99%	\$79.960	-\$8.693	-12.20%
Fiscal Division-Forecast	\$134.042	\$43.565	24.53%	\$177.744	-\$0.137	-0.08%	\$55.187	\$16.080	22.56%	\$72.111	-\$0.844	-1.18%
Budget Division-Forecast	\$128.288	\$49.319	27.77%	\$177.744	-\$0.137	-0.08%	\$56.194	\$15.073	21.15%	\$76.006	-\$4.739	-6.65%
Transportation Connection Excise Tax-Actual	\$17.141			\$17.141			\$28.464			\$28.464		
Economic Forum-Forecast	\$13.782	\$3.359	19.60%	\$15.302	\$1.839	10.73%	\$15.989	\$12.475	43.83%	\$17.594	\$10.870	38.19%
Agency-Forecast	\$18.200	-\$1.059	-6.18%	\$16.500	\$0.641	3.74%	\$24.100	\$4.364	15.33%	\$20.300	\$8.164	28.68%
Fiscal Division-Forecast	\$12.983	\$4.158	24.26%	\$14.329	\$2.812	16.41%	\$13.263	\$15.201	53.40%	\$15.878	\$12.586	44.22%
Budget Division-Forecast	\$13.163	\$3.979	23.21%	\$15.077	\$2.064	12.04%	\$16.603	\$11.862	41.67%	\$16.603	\$11.862	41.67%
Total: Select Non-Major Revenue Sources	\$800.045			\$800.045			\$674.149			\$674.149		
Economic Forum-Forecast	\$695.903	\$104.142	13.02%	\$768.686	\$31.359	3.92%	\$564.448	\$109.701	16.27%	\$602.203	\$71.946	10.67%
Agency-Forecast	\$678.486	\$121.559	15.19%	\$762.490	\$37.555	4.69%	\$566.577	\$107.572	15.96%	\$599.313	\$74.836	11.10%
Fiscal Division-Forecast	\$709.569	\$90.476	11.31%	\$775.923	\$24.122	3.02%	\$564.849	\$109.300	16.21%	\$605.343	\$68.806	10.21%
Budget Division-Forecast	\$690.982	\$109.062	13.63%	\$766.251	\$33.794	4.22%	\$561.636	\$112.513	16.69%	\$600.097	\$74.052	10.98%
ALL OTHER GENERAL FUND REVENUE SOURCES												
All Other Revenues-Actual (4.)	\$218.352			\$218.352			\$317.539			\$317.539		
Economic Forum-Forecast	\$196.230	\$22.122	10.13%	\$194.537	\$23.815	10.91%	\$270.263	\$47.276	14.89%	\$280.739	\$36.799	11.59%
Agency-Forecast	\$195.389	\$22.963	10.52%	\$192.846	\$25.506	11.68%	\$268.604	\$48.935	15.41%	\$280.741	\$36.797	11.59%
Fiscal Division-Forecast	\$198.471	\$19.881	9.11%	\$195.994	\$22.358	10.24%	\$272.838	\$44.700	14.08%	\$280.987	\$36.552	11.51%
Budget Division-Forecast	\$195.540	\$22.812	10.45%	\$192.939	\$25.413	11.64%	\$271.726	\$45.813	14.43%	\$280.446	\$37.093	11.68%

TABLE 1

Actual Collections versus December 3, 2020, and May 4, 2021, Forecasts by Forecaster for FY 2021 and FY 2022

Actual and Forecast Collections are in Millions of Dollars

Dollar Difference (\$ Diff) Computed on an Actual Collections Minus Forecast Collections Basis and Percent Difference (% Diff) is Dollar Difference Divided by Actual Collections

ACTUAL versus FORECAST	FY 2021						FY 2022					
	December 3, 2020 Forecast			May 4, 2021 Forecast			December 3, 2020 Forecast			May 4, 2021 Forecast		
	Current Year Forecast			Current Year Forecast			1-Year Ahead Forecast			1-Year Ahead Forecast		
	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff
TOTAL GENERAL FUND REVENUE												
Total General Fund Revenue (Gross)-Actual (5.)	\$4,529.323			\$4,529.323			\$5,524.471			\$5,524.471		
Economic Forum-Forecast	\$3,999.630	\$529.693	11.69%	\$4,308.848	\$220.475	4.87%	\$4,229.355	\$1,295.116	23.44%	\$4,513.938	\$1,010.532	18.29%
Agency-Forecast	\$3,936.290	\$593.033	13.09%	\$4,284.968	\$244.355	5.39%	\$4,166.362	\$1,358.109	24.58%	\$4,561.216	\$963.255	17.44%
Fiscal Division-Forecast	\$4,049.836	\$479.487	10.59%	\$4,304.884	\$224.439	4.96%	\$4,336.519	\$1,187.951	21.50%	\$4,505.982	\$1,018.489	18.44%
Budget Division-Forecast	\$3,973.287	\$556.036	12.28%	\$4,251.838	\$277.485	6.13%	\$4,264.436	\$1,260.035	22.81%	\$4,502.956	\$1,021.515	18.49%
Commerce Tax Credits-Actual	-\$43.107			-\$43.107			-\$47.847			-\$47.847		
Economic Forum-Forecast	-\$45.774	\$2.667	-6.19%	-\$44.041	\$0.934	-2.17%	-\$43.362	-\$4.485	9.37%	-\$44.611	-\$3.236	6.76%
Agency-Forecast	-\$45.774	\$2.667	-6.19%	-\$44.041	\$0.934	-2.17%	-\$43.362	-\$4.485	9.37%	-\$44.611	-\$3.236	6.76%
Fiscal Division-Forecast	-\$45.774	\$2.667	-6.19%	-\$44.041	\$0.934	-2.17%	-\$43.362	-\$4.485	9.37%	-\$44.611	-\$3.236	6.76%
Budget Division-Forecast	-\$45.774	\$2.667	-6.19%	-\$44.041	\$0.934	-2.17%	-\$43.362	-\$4.485	9.37%	-\$44.611	-\$3.236	6.76%
Total General Fund Revenue (Net of Commerce Tax Credits)-Actual	\$4,486.216			\$4,486.216			\$5,476.624			\$5,476.624		
Economic Forum-Forecast	\$3,953.856	\$532.361	11.87%	\$4,264.807	\$221.409	4.94%	\$4,185.993	\$1,290.631	23.57%	\$4,469.327	\$1,007.297	18.39%
Agency-Forecast	\$3,890.516	\$595.700	13.28%	\$4,240.927	\$245.290	5.47%	\$4,123.000	\$1,353.624	24.72%	\$4,516.605	\$960.019	17.53%
Fiscal Division-Forecast	\$4,004.062	\$482.155	10.75%	\$4,260.843	\$225.374	5.02%	\$4,293.157	\$1,183.467	21.61%	\$4,461.371	\$1,015.253	18.54%
Budget Division-Forecast	\$3,927.513	\$558.703	12.45%	\$4,207.797	\$278.420	6.21%	\$4,221.074	\$1,255.550	22.93%	\$4,458.345	\$1,018.279	18.59%
Film Tax Credits-Actual	-\$3.864			-\$3.864			-\$1.484			-\$1.484		
Economic Forum-Forecast	-\$10.000	\$6.136	-158.77%	-\$5.125	\$1.261	-32.62%	-\$4.000	\$2.516	-169.59%	-\$5.000	\$3.516	-236.99%
Agency-Forecast	-\$10.000	\$6.136	-158.77%	-\$5.125	\$1.261	-32.62%	-\$4.000	\$2.516	-169.59%	-\$5.000	\$3.516	-236.99%
Fiscal Division-Forecast	-\$10.000	\$6.136	-158.77%	-\$5.125	\$1.261	-32.62%	-\$4.000	\$2.516	-169.59%	-\$5.000	\$3.516	-236.99%
Budget Division-Forecast	-\$10.000	\$6.136	-158.77%	-\$5.125	\$1.261	-32.62%	-\$4.000	\$2.516	-169.59%	-\$5.000	\$3.516	-236.99%
Nevada New Markets Jobs Act Tax Credits-Actual	-\$0.912			-\$0.912			-\$23.672			-\$23.672		
Economic Forum-Forecast	-\$1.810	\$0.898	-98.43%	-\$1.810	\$0.898	-98.43%	-\$24.000	\$0.328	-1.39%	-\$24.000	\$0.328	-1.39%
Agency-Forecast	-\$1.810	\$0.898	-98.43%	-\$1.810	\$0.898	-98.43%	-\$24.000	\$0.328	-1.39%	-\$24.000	\$0.328	-1.39%
Fiscal Division-Forecast	-\$1.810	\$0.898	-98.43%	-\$1.810	\$0.898	-98.43%	-\$24.000	\$0.328	-1.39%	-\$24.000	\$0.328	-1.39%
Budget Division-Forecast	-\$1.810	\$0.898	-98.43%	-\$1.810	\$0.898	-98.43%	-\$24.000	\$0.328	-1.39%	-\$24.000	\$0.328	-1.39%

TABLE 1**Actual Collections versus December 3, 2020, and May 4, 2021, Forecasts by Forecaster for FY 2021 and FY 2022**

Actual and Forecast Collections are in Millions of Dollars

Dollar Difference (\$ Diff) Computed on an Actual Collections Minus Forecast Collections Basis and Percent Difference (% Diff) is Dollar Difference Divided by Actual Collections

ACTUAL versus FORECAST	FY 2021						FY 2022					
	December 3, 2020 Forecast			May 4, 2021 Forecast			December 3, 2020 Forecast			May 4, 2021 Forecast		
	Current Year Forecast			Current Year Forecast			1-Year Ahead Forecast			1-Year Ahead Forecast		
	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff	Revenue	\$ Diff	% Diff
Education Choice Scholarship Credits-Actual	-\$7.115			-\$7.115			-\$11.783			-\$11.783		
Economic Forum-Forecast	-\$11.400	\$4.285	-60.23%	-\$9.474	\$2.359	-33.16%	-\$6.655	-\$5.128	43.52%	-\$11.400	-\$0.383	3.25%
Agency-Forecast	-\$11.400	\$4.285	-60.23%	-\$9.474	\$2.359	-33.16%	-\$6.655	-\$5.128	43.52%	-\$11.400	-\$0.383	3.25%
Fiscal Division-Forecast	-\$11.400	\$4.285	-60.23%	-\$9.474	\$2.359	-33.16%	-\$6.655	-\$5.128	43.52%	-\$11.400	-\$0.383	3.25%
Budget Division-Forecast	-\$11.400	\$4.285	-60.23%	-\$9.474	\$2.359	-33.16%	-\$6.655	-\$5.128	43.52%	-\$11.400	-\$0.383	3.25%
Catalyst Account Tax Credits-Actual	\$0.000			\$0.000			-\$0.350			-\$0.350		
Economic Forum-Forecast	-\$0.350	\$0.350		-\$0.320	\$0.320		\$0.000	-\$0.350		\$0.000	-\$0.350	
Agency-Forecast	-\$0.350	\$0.350		-\$0.320	\$0.320		\$0.000	-\$0.350		\$0.000	-\$0.350	
Fiscal Division-Forecast	-\$0.350	\$0.350		-\$0.320	\$0.320		\$0.000	-\$0.350		\$0.000	-\$0.350	
Budget Division-Forecast	-\$0.350	\$0.350		-\$0.320	\$0.320		\$0.000	-\$0.350		\$0.000	-\$0.350	
College Savings Plan Tax Credits	\$0.000			\$0.000			\$0.000			\$0.000		
Economic Forum-Forecast	-\$0.003	\$0.002	-400.83%	-\$0.003	\$0.002	-400.83%	-\$0.003	\$0.002	-428.90%	-\$0.003	\$0.002	-428.90%
Agency-Forecast	-\$0.003	\$0.002	-400.83%	-\$0.003	\$0.002	-400.83%	-\$0.003	\$0.002	-428.90%	-\$0.003	\$0.002	-428.90%
Fiscal Division-Forecast	-\$0.003	\$0.002	-400.83%	-\$0.003	\$0.002	-400.83%	-\$0.003	\$0.002	-428.90%	-\$0.003	\$0.002	-428.90%
Budget Division-Forecast	-\$0.003	\$0.002	-400.83%	-\$0.003	\$0.002	-400.83%	-\$0.003	\$0.002	-428.90%	-\$0.003	\$0.002	-428.90%
Affordable Housing Transferrable Tax Credits	\$0.000			\$0.000			\$0.000			\$0.000		
Economic Forum-Forecast	\$0.000	\$0.000		\$0.000	\$0.000		-\$3.000	\$3.000		-\$3.000	\$3.000	
Agency-Forecast	\$0.000	\$0.000		\$0.000	\$0.000		-\$3.000	\$3.000		-\$3.000	\$3.000	
Fiscal Division-Forecast	\$0.000	\$0.000		\$0.000	\$0.000		-\$3.000	\$3.000		-\$3.000	\$3.000	
Budget Division-Forecast	\$0.000	\$0.000		\$0.000	\$0.000		-\$3.000	\$3.000		-\$3.000	\$3.000	
Total: All Other Tax Credits-Actual	-\$11.892			-\$11.892			-\$37.289			-\$37.289		
Economic Forum-Forecast	-\$23.562	\$11.671	-98.14%	-\$16.731	\$4.840	-40.70%	-\$37.658	\$0.369	-0.99%	-\$43.403	\$6.114	-16.40%
Agency-Forecast	-\$23.562	\$11.671	-98.14%	-\$16.731	\$4.840	-40.70%	-\$37.658	\$0.369	-0.99%	-\$43.403	\$6.114	-16.40%
Fiscal Division-Forecast	-\$23.562	\$11.671	-98.14%	-\$16.731	\$4.840	-40.70%	-\$37.658	\$0.369	-0.99%	-\$43.403	\$6.114	-16.40%
Budget Division-Forecast	-\$23.562	\$11.671	-98.14%	-\$16.731	\$4.840	-40.70%	-\$37.658	\$0.369	-0.99%	-\$43.403	\$6.114	-16.40%
Total General Fund Revenue (Net)-Actual	\$4,474.325			\$4,474.325			\$5,439.335			\$5,439.335		
Economic Forum-Forecast	\$3,930.293	\$544.031	12.16%	\$4,248.076	\$226.249	5.06%	\$4,148.336	\$1,290.999	23.73%	\$4,425.925	\$1,013.410	18.63%
Agency-Forecast	\$3,866.953	\$607.371	13.57%	\$4,224.195	\$250.129	5.59%	\$4,085.342	\$1,353.993	24.89%	\$4,473.202	\$966.133	17.76%
Fiscal Division-Forecast	\$3,980.499	\$493.825	11.04%	\$4,244.111	\$230.213	5.15%	\$4,255.500	\$1,183.835	21.76%	\$4,417.969	\$1,021.367	18.78%
Budget Division-Forecast	\$3,903.951	\$570.374	12.75%	\$4,191.065	\$283.259	6.33%	\$4,183.417	\$1,255.919	23.09%	\$4,414.942	\$1,024.393	18.83%

TABLE 1

Actual Collections versus December 3, 2020, and May 4, 2021, Forecasts by Forecaster for FY 2021 and FY 2022

Actual and Forecast Collections are in Millions of Dollars

Dollar Difference (\$ Diff) Computed on an Actual Collections Minus Forecast Collections Basis and Percent Difference (% Diff) is Dollar Difference Divided by Actual Collections

Notes:

- (1.) Actual revenue collections for the Insurance Premium Tax, the Percentage Fee Tax, and the Modified Business Tax do not include any tax credits that were used by taxpayers against these revenue sources in either FY 2021 or FY 2022.
- (2.) The December 3, 2020, and May 4, 2021, forecasts for FY 2021 and FY 2022 by the Economic Forum and each forecaster (Agency, Fiscal, Budget) for the Modified Business Tax include estimated adjustments to account for the Nevada Supreme Court's ruling on May 12, 2021, upholding the First Judicial District Court's ruling on September 21, 2020, that the passage of Sections 2, 3, 37, and 39 of S.B. 551 (2019) without a two-thirds majority in the Senate was a violation of the Nevada Constitution. [See note 6-22 in the Notes to Table 2.]
- (3.) The December 3, 2020, and May 4, 2021, forecasts for FY 2022 by the Economic Forum and each forecaster (Agency, Fiscal, Budget) for the Short-Term Car Rental Tax include estimated adjustments for the approval of S.B. 389 (2021) by the Legislature, which provides for the regulation, licensing and taxation of peer-to-peer car sharing programs. [See note 8-22 in the Notes to Table 2.]
- (4.) The amounts shown in the All Other Revenues category for the December 3, 2020, and May 4, 2021, forecasts for FY 2022 by the Economic Forum and each forecaster (Agency, Fiscal, Budget) include estimated adjustments to several existing revenue sources for legislative measures approved during the 2021 Session. [See Notes to Table 2 for a description of the legislative changes.]
- (5.) The sum of the Major Revenue Sources, Select Non-Major Revenue Sources, and All Other Revenues may not equal to Total General Fund Revenues due to rounding.

TABLE 2
FY 2022 GENERAL FUND REVENUE: ACTUAL VERSUS FORECAST COMPARISON
ECONOMIC FORUM DECEMBER 3, 2020, FORECAST AND MAY 4, 2021, FORECAST ADJUSTED FOR MEASURES APPROVED
DURING THE 2021 LEGISLATIVE SESSION AND COURT DECISIONS COMPARED TO ACTUAL COLLECTIONS

DESCRIPTION	FY 2021		FY 2022		Economic Forum December 3, 2020 Forecast				Economic Forum May 4, 2021 Forecast			
	ACTUAL	% Change	ACTUAL	% Change	FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual	FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual
TAXES												
MINING TAX												
3064 Net Proceeds of Minerals [1-21][1-24]	\$177,607,159	210.7%	\$71,266,942	-59.9%	\$57,321,000	-67.7%	\$13,945,942	19.6%	\$76,026,000	-57.2%	-\$4,759,058	-6.7%
3245 Centrally Assessed Penalties	\$12,188	623.6%	\$423	-96.5%	\$0		\$423	100.0%	\$0		\$423	100.0%
3074 Mining Gross Revenue Tax - Gold and Silver [3-22]	\$0		\$36,921,487		\$83,802,000		-\$46,880,513	-127.0%	\$83,802,000		-\$46,880,513	-127.0%
TOTAL MINING TAXES AND FEES	\$177,619,347	210.7%	\$108,188,852	-39.1%	\$141,123,000	-20.5%	-\$32,934,148	-30.4%	\$159,828,000	-10.0%	-\$51,639,148	-47.7%
SALES AND USE												
3001 Sales & Use Tax [1-19][1-20][4-22]	\$1,325,814,026	9.1%	\$1,613,341,781	21.7%	\$1,206,567,000	-9.0%	\$406,774,781	25.2%	\$1,301,969,000	-1.8%	\$311,372,781	19.3%
3002 State Share - LSST [1-19][1-20][4-22]	\$12,976,471	10.2%	\$15,666,269	20.7%	\$11,764,000	-9.3%	\$3,902,269	24.9%	\$12,694,000	-2.2%	\$2,972,269	19.0%
3003 State Share - BCCRT [1-19][1-20][4-22]	\$5,783,773	10.1%	\$7,004,724	21.1%	\$5,279,000	-8.7%	\$1,725,724	24.6%	\$5,696,000	-1.5%	\$1,308,724	18.7%
3004 State Share - SCCRT [1-19][1-20][4-22]	\$20,237,415	10.1%	\$24,509,793	21.1%	\$18,476,000	-8.7%	\$6,033,793	24.6%	\$19,936,000	-1.5%	\$4,573,793	18.7%
3005 State Share - PTT [1-19][1-20][4-22]	\$15,761,379	14.0%	\$19,349,241	22.8%	\$13,893,000	-11.9%	\$5,456,241	28.2%	\$14,990,000	-4.9%	\$4,359,241	22.5%
TOTAL SALES AND USE	\$1,380,573,065	9.2%	\$1,679,871,809	21.7%	\$1,255,979,000	-9.0%	\$423,892,809	25.2%	\$1,355,285,000	-1.8%	\$324,586,809	19.3%
GAMING - STATE												
3041 Percent Fees - Gross Revenue: <u>Before Tax Credits</u>	\$685,144,193	10.6%	\$964,214,339	40.7%	\$667,051,000	-2.6%	\$297,163,339	30.8%	\$709,309,000	3.5%	\$254,905,339	26.4%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	-\$1,030,589		-\$664,260		\$0		-\$664,260		\$0		-\$664,260	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	-\$1,030,589		-\$664,260		\$0		-\$664,260		\$0		-\$664,260	
Percent Fees - Gross Revenue: <u>After Tax Credits</u>	\$684,113,604	14.6%	\$963,550,079	40.8%	\$667,051,000	-2.5%	\$296,499,079	30.8%	\$709,309,000	3.7%	\$254,241,079	26.4%
3032 Pari-mutuel Tax	\$0	-100.0%	\$3,162		\$3,400		-\$238	-7.5%	\$3,400		-\$238	-7.5%
3181 Racing Fees	\$0	-100.0%	\$10,102		\$9,300		\$802	7.9%	\$9,300		\$802	7.9%
3247 Racing Fines/Forfeitures	\$0		\$1,500		\$0		\$1,500	100.0%	\$0		\$1,500	
3042 Gaming Penalties	\$761,164	332.0%	\$361,734	-52.5%	\$700,000	-8.0%	-\$338,266	-93.5%	\$700,000	-8.0%	-\$338,266	-93.5%
3043 Flat Fees-Restricted Slots [2-20]	\$7,820,556	-3.1%	\$8,466,294	8.3%	\$7,763,000	-0.7%	\$703,294	8.3%	\$8,458,000	8.2%	\$8,294	0.1%
3044 Non-Restricted Slots [2-20]	\$9,798,140	-4.2%	\$10,149,080	3.6%	\$9,562,000	-2.4%	\$587,080	5.8%	\$9,831,000	0.3%	\$318,080	3.1%
3045 Quarterly Fees-Games	\$5,467,970	0.5%	\$5,466,294	0.0%	\$5,692,000	4.1%	-\$225,706	-4.1%	\$5,710,000	4.4%	-\$243,706	-4.5%
3046 Advance License Fees	\$3,414,656	191.1%	\$16,467,639	382.3%	\$3,615,000	5.9%	\$12,852,639	78.0%	\$4,141,000	21.3%	\$12,326,639	74.9%
3048 Slot Machine Route Operator	\$30,000	-6.3%	\$26,000	-13.3%	\$31,500	5.0%	-\$5,500	-21.2%	\$31,500	5.0%	-\$5,500	-21.2%
3049 Gaming Info Systems Annual	\$30,000	-28.6%	\$49,000	63.3%	\$30,000	0.0%	\$19,000	38.8%	\$30,000	0.0%	\$19,000	38.8%
3028 Interactive Gaming Fee - Operator	\$937,500	87.5%	\$250,000	-73.3%	\$500,000	-46.7%	-\$250,000	-100.0%	\$500,000	-46.7%	-\$250,000	-100.0%
3029 Interactive Gaming Fee - Service Provider	\$11,000	-15.4%	\$14,000	27.3%	\$15,000	36.4%	-\$1,000	-7.1%	\$13,000	18.2%	\$1,000	7.1%
3030 Interactive Gaming Fee - Manufacturer	\$75,000	0.0%	\$75,000	0.0%	\$75,000	0.0%	\$0	0.0%	\$75,000	0.0%	\$0	0.0%
3033 Equip Mfg. License	\$288,020	0.5%	\$287,480	-0.2%	\$288,000	0.0%	-\$520	-0.2%	\$290,500	0.9%	-\$3,020	-1.1%
3034 Race Wire License	\$2,248	-55.6%	\$4,332	92.7%	\$1,800	-19.9%	\$2,532	58.4%	\$3,200	42.3%	\$1,132	26.1%
3035 Annual Fees on Games	\$146,263	10.7%	\$84,550	-42.2%	\$137,200	-6.2%	-\$52,650	-62.3%	\$114,800	-21.5%	-\$30,250	-35.8%
TOTAL GAMING - STATE: BEFORE TAX CREDITS	\$713,926,710	10.6%	\$1,005,930,506	40.9%	\$695,474,200	-2.6%	\$310,456,306	30.9%	\$739,219,700	3.5%	\$266,710,806	26.5%
Tax Credit Programs	-\$1,030,589		-\$664,260		\$0		-\$664,260		\$0		-\$664,260	
TOTAL GAMING - STATE: AFTER TAX CREDITS	\$712,896,121	14.4%	\$1,005,266,246	41.0%	\$695,474,200	-2.6%	\$309,792,046	30.8%	\$739,219,700	3.7%	\$266,046,546	26.5%
LIVE ENTERTAINMENT TAX (LET)												
3031G Live Entertainment Tax-Gaming [5-22]	\$7,276,035	-89.9%	\$99,353,405	1265.5%	\$45,450,000	524.7%	\$53,903,405	54.3%	\$45,450,000	524.7%	\$53,903,405	54.3%
3031NG Live Entertainment Tax-Nongaming [5-22]	\$3,803,758	-80.1%	\$39,802,290	946.4%	\$18,947,000	398.1%	\$20,855,290	52.4%	\$16,000,000	320.6%	\$23,802,290	59.8%
TOTAL LET	\$11,079,793	-87.9%	\$139,155,695	1155.9%	\$64,397,000	481.2%	\$74,758,695	53.7%	\$61,450,000	454.6%	\$77,705,695	55.8%
COMMERCE TAX												
Commerce Tax [6-16]	\$221,958,301	8.3%	\$281,881,659	27.0%	\$201,028,000	-9.4%	\$80,853,659	28.7%	\$228,516,000	3.0%	\$53,365,659	18.9%
TRANSPORTATION CONNECTION EXCISE TAX												
Transportation Connection Excise Tax	\$17,141,416	-13.7%	\$28,464,128	66.1%	\$15,989,000	-6.7%	\$12,475,128	43.8%	\$17,594,000	2.6%	\$10,870,128	38.2%
CIGARETTE TAX												
3052 Cigarette Tax [3-20]	\$152,701,797	-2.5%	\$144,068,816	-5.7%	\$144,554,000	-5.3%	-\$485,184	-0.3%	\$145,743,000	-4.6%	-\$1,674,184	-1.2%

TABLE 2
FY 2022 GENERAL FUND REVENUE: ACTUAL VERSUS FORECAST COMPARISON
ECONOMIC FORUM DECEMBER 3, 2020, FORECAST AND MAY 4, 2021, FORECAST ADJUSTED FOR MEASURES APPROVED
DURING THE 2021 LEGISLATIVE SESSION AND COURT DECISIONS COMPARED TO ACTUAL COLLECTIONS

DESCRIPTION	FY 2021		FY 2022		Economic Forum December 3, 2020 Forecast				Economic Forum May 4, 2021 Forecast			
	ACTUAL	% Change	ACTUAL	% Change	FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual	FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual
TAXES - CONTINUED												
MODIFIED BUSINESS TAX (MBT)												
<u>MBT - NONFINANCIAL BUSINESSES (MBT-NFI) [4-20][6-22]</u>												
3069 MBT - Nonfinancial: <u>Before Tax Credits</u>	\$579,937,865	-10.3%	\$747,602,083	28.9%	\$594,087,000	2.4%	\$153,515,083	20.5%	\$641,875,000	10.7%	\$105,727,083	14.1%
Commerce Tax Credits	<u>-\$42,636,492</u>		<u>-\$47,232,337</u>		\$0				\$0		\$0	
MBT - Nonfinancial: <u>After Commerce Tax Credits</u>	\$537,301,372	-9.9%	\$700,369,745	30.3%	\$594,087,000	10.6%	\$153,515,083	21.9%	\$641,875,000	19.5%	\$105,727,083	15.1%
<u>Tax Credit Programs:</u>												
Film Transferrable Tax Credits [TC-1]	-\$44,808		-\$104,621		\$0		-\$104,621		\$0		-\$104,621	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	-\$6,934,892		-\$11,462,423		\$0		-\$11,462,423		\$0		-\$11,462,423	
College Savings Plan Tax Credits [TC-6]	-\$499		-\$473		\$0		-\$473		\$0		-\$473	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	<u>-\$6,980,200</u>		<u>-\$11,567,517</u>		<u>\$0</u>		<u>-\$11,567,517</u>		<u>\$0</u>		<u>-\$11,567,517</u>	
MBT - Nonfinancial: <u>After Tax Credit Programs</u>	<u>\$530,321,172</u>	<u>-9.4%</u>	<u>\$688,802,229</u>	<u>29.9%</u>	<u>\$594,087,000</u>	<u>12.0%</u>	<u>\$141,947,566</u>	<u>20.6%</u>	<u>\$641,875,000</u>	<u>21.0%</u>	<u>\$94,159,566</u>	<u>13.7%</u>
<u>MBT - FINANCIAL BUSINESSES (MBT-FI) [4-20][6-22]</u>												
3069 MBT - Financial: <u>Before Tax Credits</u>	\$42,364,248	19.6%	\$46,926,269	10.8%	\$36,812,000	-13.1%	\$10,114,269	21.6%	\$41,734,000	-1.5%	\$5,192,269	11.1%
Commerce Tax Credits	<u>-\$413,186</u>		<u>-\$548,227</u>		\$0		<u>-\$548,227</u>		\$0		\$0	
MBT - Financial: <u>After Commerce Tax Credits</u>	\$41,951,062	21.5%	\$46,378,041	10.6%	\$36,812,000	-12.3%	\$9,566,041	20.6%	\$41,734,000	-0.5%	\$5,192,269	11.2%
<u>Tax Credit Programs:</u>												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	-\$179,723		-\$320,277		\$0		-\$320,277		\$0		-\$320,277	
College Savings Plan Tax Credits [TC-6]	\$0		\$0		\$0		\$0		\$0		\$0	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	<u>-\$179,723</u>		<u>-\$320,277</u>		<u>\$0</u>		<u>-\$320,277</u>		<u>\$0</u>	<u>0.0%</u>	<u>-\$320,277</u>	
MBT - Financial: <u>After Tax Credit Programs</u>	<u>\$41,771,339</u>	<u>21.8%</u>	<u>\$46,057,764</u>	<u>10.3%</u>	<u>\$36,812,000</u>	<u>-11.9%</u>	<u>\$9,245,764</u>	<u>20.1%</u>	<u>\$41,734,000</u>	<u>-0.1%</u>	<u>\$4,871,992</u>	<u>10.6%</u>
<u>MBT - MINING BUSINESSES (MBT-MINING) [4-20][6-22]</u>												
3069 MBT - Mining: <u>Before Tax Credits</u>	\$19,152,769	-16.7%	\$20,878,094	9.0%	\$22,702,000	18.5%	-\$1,823,906	-8.7%	\$21,910,000	14.4%	-\$1,031,906	-4.9%
Commerce Tax Credits	<u>-\$56,890</u>		<u>-\$66,316</u>		\$0		<u>-\$66,316</u>		\$0		\$0	
MBT - Mining: <u>After Commerce Tax Credits</u>	\$19,095,879	-16.7%	\$20,811,778	9.0%	\$22,702,000	18.9%	-\$1,890,222	-9.1%	\$21,910,000	14.7%	-\$1,031,906	-5.0%
<u>Tax Credit Programs:</u>												
Film Transferrable Tax Credits [TC-1]	\$0		\$0		\$0		\$0		\$0		\$0	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	\$0		\$0		\$0		\$0		\$0		\$0	
College Savings Plan Tax Credits [TC-6]	\$0		\$0		\$0		\$0		\$0		\$0	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	<u>\$0</u>		<u>\$0</u>		<u>\$0</u>		<u>\$0</u>		<u>\$0</u>		<u>\$0</u>	
MBT - Mining: <u>After Tax Credit Programs</u>	<u>\$19,095,879</u>	<u>-16.7%</u>	<u>\$20,811,778</u>	<u>9.0%</u>	<u>\$22,702,000</u>	<u>18.9%</u>	<u>-\$1,890,222</u>	<u>-9.1%</u>	<u>\$21,910,000</u>	<u>14.7%</u>	<u>-\$1,031,906</u>	<u>-5.0%</u>

**TABLE 2
FY 2022 GENERAL FUND REVENUE: ACTUAL VERSUS FORECAST COMPARISON
ECONOMIC FORUM DECEMBER 3, 2020, FORECAST AND MAY 4, 2021, FORECAST ADJUSTED FOR MEASURES APPROVED
DURING THE 2021 LEGISLATIVE SESSION AND COURT DECISIONS COMPARED TO ACTUAL COLLECTIONS**

DESCRIPTION	FY 2021		FY 2022		Economic Forum December 3, 2020 Forecast				Economic Forum May 4, 2021 Forecast			
	ACTUAL	% Change	ACTUAL	% Change	FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual	FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual
TAXES - CONTINUED												
TOTAL MBT - NFI, FI, & MINING												
TOTAL MBT: BEFORE TAX CREDITS	\$641,454,882	-9.0%	\$815,406,446	27.1%	\$653,601,000	1.9%	\$161,805,446	19.8%	\$705,519,000	10.0%	\$109,887,446	13.5%
TOTAL COMMERCE TAX CREDITS	-\$43,106,568		-\$47,846,881		-\$43,362,000		-\$4,484,881		-\$44,611,000		-\$3,235,881	
TOTAL MBT: AFTER COMMERCE TAX CREDITS	\$598,348,313	-8.5%	\$767,559,565	28.3%	\$610,239,000	2.0%	\$157,320,565	20.5%	\$660,908,000	10.5%	\$106,651,565	13.9%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	-\$44,808		-\$104,621		\$0		-\$104,621		\$0		-\$104,621	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		\$0		\$0		\$0		\$0		\$0	
Education Choice Scholarship Tax Credits [TC-5]	-\$7,114,615		-\$11,782,700		-\$6,655,000		-\$5,127,700		-\$11,400,000		-\$382,700	
College Savings Plan Tax Credits [TC-6]	-\$499		-\$473		\$0		-\$473		\$0		-\$473	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	-\$7,159,923		-\$11,887,794		-\$6,655,000		-\$5,232,794		-\$11,400,000		-\$487,794	
TOTAL MBT: AFTER TAX CREDIT PROGRAMS	\$591,188,391	-8.0%	\$755,671,771	27.8%	\$603,584,000	2.1%	\$152,087,771	20.1%	\$649,508,000	9.9%	\$0	0.0%
INSURANCE TAXES												
3061 Insurance Premium Tax: Before Tax Credits	\$491,567,091	7.2%	\$541,092,065	10.1%	\$496,540,000	1.0%	\$44,552,065	8.2%	\$498,494,000	1.4%	\$42,598,065	7.9%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	-\$2,788,983		-\$714,842		\$0		-\$714,842		\$0		-\$714,842	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		-\$350,000		\$0		-\$350,000		\$0		-\$350,000	
Nevada New Markets Job Act Tax Credits [TC-3]	-\$912,027		-\$23,671,913		-\$24,000,000		\$328,087		-\$24,000,000		\$328,087	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		\$0		\$0		\$0		\$0	
Total - Tax Credit Programs	-\$3,701,009		-\$24,736,755		-\$24,000,000		-\$736,755		-\$24,000,000		-\$736,755	
Insurance Premium Tax: After Tax Credit Programs	\$487,866,081	8.2%	\$516,355,310	5.8%	\$472,540,000	-3.1%	\$43,815,310	8.5%	\$474,494,000	-2.7%	\$41,861,310	8.1%
3062 Insurance Retaliatory Tax	\$271,532	-28.2%	\$502,182	84.9%	\$349,300	28.6%	\$152,882	30.4%	\$346,900	27.8%	\$155,282	30.9%
3067 Captive Insurer Premium Tax	\$1,131,457	-9.1%	\$1,161,859	2.7%	\$1,293,000	14.3%	-\$131,141	-11.3%	\$1,277,000	12.9%	-\$115,141	-9.9%
TOTAL INSURANCE TAXES: BEFORE TAX CREDITS	\$492,970,080	7.1%	\$542,756,106	10.1%	\$498,182,300	1.1%	\$44,573,806	8.2%	\$500,117,900	1.4%	\$42,638,206	7.9%
TAX CREDIT PROGRAMS	-\$3,701,009		-\$24,736,755		-\$24,000,000		-\$736,755		-\$24,000,000		-\$736,755	
TOTAL INSURANCE TAXES: AFTER TAX CREDITS	\$489,269,070	8.2%	\$518,019,351	5.9%	\$474,182,300	-3.8%	\$43,837,051	8.5%	\$476,117,900	-2.7%	\$41,901,451	8.1%
REAL PROPERTY TRANSFER TAX (RPTT)												
3055 Real Property Transfer Tax	\$133,907,671	33.6%	\$177,690,923	32.7%	\$105,460,000	-21.2%	\$72,230,923	40.6%	\$125,739,000	-6.1%	\$51,951,923	29.2%
GOVERNMENTAL SERVICES TAX (GST)												
3051 Governmental Services Tax [2-18][5-20][2-21]	\$101,417,370	376.0%	\$26,430,864	-73.9%	\$23,703,000	-76.6%	\$2,727,864	10.3%	\$25,556,000	-74.8%	\$874,864	3.3%
OTHER TAXES												
3113 Business License Fee	\$113,217,289	9.9%	\$119,544,202	5.6%	\$102,461,000	-9.5%	\$17,083,202	14.3%	\$109,478,000	-3.3%	\$10,066,202	8.4%
3050 Liquor Tax	\$43,548,721	2.9%	\$50,392,542	15.7%	\$40,896,000	-6.1%	\$9,496,542	18.8%	\$42,635,000	-2.1%	\$7,757,542	15.4%
3053 Other Tobacco Tax [6-20]	\$32,336,890	39.4%	\$35,755,018	10.6%	\$31,552,000	-2.4%	\$4,203,018	11.8%	\$32,494,000	0.5%	\$3,261,018	9.1%
4862 HECC Transfer	\$5,000,000	0.0%	\$5,000,000	0.0%	\$5,000,000	0.0%	\$0	0.0%	\$5,000,000	0.0%	\$0	0.0%
3068 Branch Bank Excise Tax	\$2,594,677	-0.5%	\$2,336,987	-9.9%	\$2,562,000	-1.3%	-\$225,013	-9.6%	\$2,512,000	-3.2%	-\$175,013	-7.5%
TOTAL TAXES: BEFORE TAX CREDITS	\$4,241,448,008	8.7%	\$5,162,874,552	21.7%	\$3,981,961,500	-6.1%	\$1,180,913,052	22.9%	\$4,256,686,600	0.4%	\$906,187,952	17.6%
TOTAL COMMERCE TAX CREDITS	-\$43,106,568		-\$47,846,881		-\$43,362,000		-\$4,484,881		-\$44,611,000		-\$3,235,881	
TOTAL TAXES: AFTER COMMERCE TAX CREDITS	\$4,198,341,440	9.0%	\$5,115,027,671	21.8%	\$3,938,599,500	-6.2%	\$1,176,428,171	23.0%	\$4,212,075,600	0.3%	\$902,952,071	17.7%
Tax Credit Programs:												
Film Transferrable Tax Credits [TC-1]	-\$3,864,380		-\$1,483,723		-\$4,000,000		\$2,516,277		-\$5,000,000		\$3,516,277	
Economic Development Transferrable Tax Credits [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
Catalyst Account Transferrable Tax Credits [TC-4]	\$0		-\$350,000		\$0		-\$350,000		\$0		-\$350,000	
Nevada New Markets Job Act Tax Credits [TC-3]	-\$912,027		-\$23,671,913		-\$24,000,000		\$328,087		-\$24,000,000		\$328,087	
Education Choice Scholarship Tax Credits [TC-5]	-\$7,114,615		-\$11,782,700		-\$6,655,000		-\$5,127,700		-\$11,400,000		-\$382,700	
College Savings Plan Tax Credits [TC-6]	-\$499		-\$473		-\$2,500		\$2,027		-\$2,500		\$2,027	
Affordable Housing Transferrable Tax Credits [TC-7]	\$0		\$0		-\$3,000,000		\$3,000,000		-\$3,000,000		\$3,000,000	
Total - Tax Credit Programs	-\$11,891,521		-\$37,288,809		-\$37,657,500		\$368,691		-\$43,402,500		\$6,113,691	
TOTAL TAXES: AFTER TAX CREDITS	\$4,186,449,919	9.9%	\$5,077,738,862	21.3%	\$3,900,942,000	-6.8%	\$1,176,796,862	23.2%	\$4,168,673,100	-0.4%	\$909,065,762	17.9%

TABLE 2
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ECONOMIC FORUM DECEMBER 3, 2020, FORECAST AND MAY 4, 2021, FORECAST ADJUSTED FOR MEASURES APPROVED
DURING THE 2021 LEGISLATIVE SESSION AND COURT DECISIONS COMPARED TO ACTUAL COLLECTIONS

DESCRIPTION	FY 2021 ACTUAL % Change		FY 2022 ACTUAL % Change		Economic Forum December 3, 2020 Forecast				Economic Forum May 4, 2021 Forecast			
					FY 2022 FORECAST % Change		Difference: Actual minus Forecast % Difference From Actual		FY 2022 FORECAST % Change		Difference: Actual minus Forecast % Difference From Actual	
LICENSES												
3101 Insurance Licenses	\$27,118,191	15.1%	\$29,419,100	8.5%	\$25,587,000	-5.6%	\$3,832,100	13.0%	\$27,749,000	2.3%	\$1,670,100	5.7%
3120 Marriage License SECRETARY OF STATE	\$336,350	25.9%	\$345,163	2.6%	\$223,000	-33.7%	\$122,163	35.4%	\$315,000	-6.3%	\$30,163	8.7%
3105 UCC	\$3,835,489	25.5%	\$3,454,770	-9.9%	\$2,714,000	-29.2%	\$740,770	21.4%	\$2,644,000	-31.1%	\$810,770	23.5%
3129 Notary Fees	\$659,232	42.0%	\$717,235	8.8%	\$516,500	-21.7%	\$200,735	28.0%	\$560,000	-15.1%	\$157,235	21.9%
3130 Commercial Recordings	\$84,354,074	16.1%	\$88,574,485	5.0%	\$72,284,000	-14.3%	\$16,290,485	18.4%	\$73,965,000	-12.3%	\$14,609,485	16.5%
3131 Video Service Franchise	\$26,250	789.8%	\$300	-98.9%	\$3,500	-86.7%	-\$3,200	-1066.7%	\$3,500	-86.7%	-\$3,200	-1066.7%
3121 Domestic Partnership Registry Fee	\$55,790	64.1%	\$62,391	11.8%	\$34,000	-39.1%	\$28,391	45.5%	\$34,300	-38.5%	\$28,091	45.0%
3152 Securities [7-22]	\$32,033,172	6.3%	\$35,068,024	9.5%	\$31,805,000	-0.7%	\$3,263,024	9.3%	\$32,132,000	0.3%	\$2,936,024	8.4%
TOTAL SECRETARY OF STATE	\$120,964,007	13.8%	\$127,877,205	5.7%	\$107,357,000	-11.2%	\$20,520,205	16.0%	\$109,338,800	-9.6%	\$18,538,405	14.5%
3172 Private School Licenses	\$237,873	22.4%	\$217,461	-8.6%	\$225,600	-5.2%	-\$8,139	-3.7%	\$225,600	-5.2%	-\$8,139	-3.7%
3173 Private Employment Agency REAL ESTATE	\$17,000	-13.7%	\$20,100	18.2%	\$21,600	27.1%	-\$1,500	-7.5%	\$21,800	28.2%	-\$1,700	-8.5%
3161 Real Estate License	\$2,965,619	17.1%	\$2,936,854	-1.0%	\$2,551,000	-14.0%	\$385,854	13.1%	\$2,701,000	-8.9%	\$235,854	8.0%
3162 Real Estate Fees	\$1,950	18.2%	\$2,850	46.2%	\$1,800	-7.7%	\$1,050	36.8%	\$1,700	-12.8%	\$1,150	40.4%
TOTAL REAL ESTATE	\$2,967,569	17.1%	\$2,939,704	-0.9%	\$2,552,800	-14.0%	\$386,904	13.2%	\$2,702,700	-8.9%	\$237,004	8.1%
3102 Athletic Commission Fees	\$91,559	-97.7%	\$5,846,931	6286.0%	\$3,333,000	3540.3%	\$2,513,931	43.0%	\$2,873,000	3037.9%	\$2,973,931	50.9%
TOTAL LICENSES	\$151,732,549	10.8%	\$166,665,664	9.8%	\$139,300,000	-8.2%	\$27,365,664	16.4%	\$143,225,900	-5.6%	\$23,439,764	14.1%
FEES AND FINES												
3203 Divorce Fees	\$158,109	9.7%	\$152,694	-3.4%	\$129,700	-18.0%	\$22,994	15.1%	\$141,100	-10.8%	\$11,594	7.6%
3204 Civil Action Fees	\$1,360,985	11.0%	\$1,259,803	-7.4%	\$1,192,000	-12.4%	\$67,803	5.4%	\$1,298,000	-4.6%	-\$38,197	-3.0%
3242 Insurance Fines	\$447,172	14.6%	\$367,121	-17.9%	\$396,700	-11.3%	-\$29,579	-8.1%	\$379,600	-15.1%	-\$12,479	-3.4%
3242LC Investigative Costs Recovery - Labor Commission	\$34,000	88.9%	\$69,050		\$20,600		\$48,450		\$20,900		\$48,150	
3103MD Medical Plan Discount Reg. Fees REAL ESTATE FEES	\$500		\$500		\$0		\$500		\$0		\$500	
3107IOS IOS Application Fees	\$8,300	25.8%	\$8,020	-3.4%	\$6,900	-16.9%	\$1,120	14.0%	\$7,500	-9.6%	\$520	6.5%
3165 Land Co Filing Fees	\$29,150	50.3%	\$36,175	24.1%	\$25,000	-14.2%	\$11,175	30.9%	\$26,700	-8.4%	\$9,475	26.2%
3169 Real Estate Reg Fees	\$25,700	77.9%	\$26,750	4.1%	\$11,500	-55.3%	\$15,250	57.0%	\$21,900	-14.8%	\$4,850	18.1%
4741 Real Estate Exam Fees	\$866,492	96.0%	\$801,447	-7.5%	\$599,300	-30.8%	\$202,147	25.2%	\$645,300	-25.5%	\$156,147	19.5%
3178 Real Estate Accred Fees	\$105,054	4.6%	\$112,750	7.3%	\$107,600	2.4%	\$5,150	4.6%	\$107,600	2.4%	\$5,150	4.6%
3254 Real Estate Penalties	\$112,460	35.4%	\$93,843	-16.6%	\$91,700	-18.5%	\$2,143	2.3%	\$95,100	-15.4%	-\$1,258	-1.3%
3190 A.B. 165, Real Estate Inspectors TOTAL REAL ESTATE FEES	\$67,875	8.2%	\$62,320	-8.2%	\$61,300	-9.7%	\$1,020	1.6%	\$61,300	-9.7%	\$1,020	1.6%
3066 Short Term Car Lease [8-22]	\$45,687,019	1.1%	\$74,584,103	63.3%	\$43,883,000	-3.9%	\$30,701,103	41.2%	\$46,580,000	2.0%	\$28,004,103	37.5%
3103AC Athletic Commission Licenses/Fines	\$163,775	20.6%	\$183,965	12.3%	\$120,000	-26.7%	\$63,965	34.8%	\$130,600	-20.3%	\$53,365	29.0%
3150 Navigable Water Permit Fees [3-18]	\$65,000	0.0%	\$65,000	0.0%	\$65,000	0.0%	\$0	0.0%	\$65,000	0.0%	\$0	0.0%
3205 State Engineer Sales [4-18]	\$3,848,492	3.1%	\$3,721,744	-3.3%	\$3,770,000	-2.0%	-\$48,256	-1.3%	\$3,751,000	-2.5%	-\$29,256	-0.8%
3206 Supreme Court Fees	\$177,805	-13.6%	\$190,495	7.1%	\$233,800	31.5%	-\$43,305	-22.7%	\$196,900	10.7%	-\$6,405	-3.4%
3115 Notice of Default Fee	\$193,735	-60.3%	\$355,350	83.4%	\$537,500	177.4%	-\$182,150	-51.3%	\$428,300	121.1%	-\$72,950	-20.5%
3601 Professional Employer Organization Fee [9-22]			\$92,500		\$103,500		-\$11,000	-11.9%	\$103,500		-\$11,000	-11.9%
3271 Misc Fines/Forfeitures [5-18]	\$2,828,409	69.2%	\$2,060,891	-27.1%	\$2,250,000	-20.4%	-\$189,109	-9.2%	\$1,831,000	-35.3%	\$229,891	11.2%
TOTAL FEES AND FINES	\$56,180,032	4.0%	\$84,244,519	50.0%	\$53,605,100	-4.6%	\$30,639,419	36.4%	\$55,891,300	-0.5%	\$28,353,219	33.7%

TABLE 2
FY 2022 GENERAL FUND REVENUE: ACTUAL VERSUS FORECAST COMPARISON
ECONOMIC FORUM DECEMBER 3, 2020, FORECAST AND MAY 4, 2021, FORECAST ADJUSTED FOR MEASURES APPROVED
DURING THE 2021 LEGISLATIVE SESSION AND COURT DECISIONS COMPARED TO ACTUAL COLLECTIONS

DESCRIPTION	FY 2021		FY 2022		Economic Forum December 3, 2020 Forecast				Economic Forum May 4, 2021 Forecast			
	ACTUAL	% Change	ACTUAL	% Change	FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual	FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual
USE OF MONEY AND PROP												
OTHER REPAYMENTS												
4403 Forestry Nurseries Fund Repayment (05-M27)	\$20,670		\$20,670		\$20,670		\$0		\$20,670		\$0	
4408 Comp/Fac Repayment	\$13,032		\$13,032		\$13,032		\$0		\$13,032		\$0	
4408 EITS Repayment - State Microwave Communications System [1-18]	\$57,900		\$266,914		\$266,915		-\$1		\$266,915		\$0	
4408 EITS Repayment - Cyber Security Resource Enhancement [2-19]	\$178,351		\$124,406		\$124,406		\$0		\$124,406		\$0	
4408 EITS Repayment - Wide-Area Network Upgrade [3-19]	\$499,723		\$223,808		\$223,808		\$0		\$223,808		\$0	
4408 EITS Repayment - Enterprise Cloud Application [1-22]	\$0		\$448,209		\$448,209		\$0		\$448,209		\$0	
4408 EITS Repayment - Firewall Replacement [2-22]	\$0		\$677,637		\$679,792		-\$2,155		\$677,636		\$1	
4408 EITS Repayment - Content Management and Portal Platform [2-24]	\$0		\$0		\$0		\$0		\$0		\$0	
4409 Motor Pool Repay - LV	\$125,000		\$125,000		\$125,000		\$0		\$125,000		\$0	
TOTAL OTHER REPAYMENTS	\$894,676	-2.5%	\$1,899,676	112.3%	\$1,901,832	112.6%	-\$2,156	-0.1%	\$1,899,676	112.3%	\$0	0.0%
INTEREST INCOME												
3290 Treasurer	\$8,789,668	-56.1%	\$24,192,051	175.2%	\$4,296,000	-51.1%	\$19,896,051	82.2%	\$7,804,000	-11.2%	\$16,388,051	67.7%
3291 Other	\$19,693	-88.9%	\$11,780	-40.2%	\$42,500	115.8%	-\$30,720	-260.8%	\$23,300	18.3%	-\$11,520	-97.8%
TOTAL INTEREST INCOME	\$8,809,361	-56.4%	\$24,203,830	174.8%	\$4,338,500	-50.8%	\$19,865,330	82.1%	\$7,827,300	-11.1%	\$16,376,530	67.7%
TOTAL USE OF MONEY & PROP	\$9,704,037	-54.1%	\$26,103,506	169.0%	\$6,240,332	-35.7%	\$19,863,174	76.1%	\$9,726,976	0.2%	\$16,376,530	62.7%
OTHER REVENUE												
3059 Hoover Dam Revenue	\$275,595	-8.1%	\$324,405	17.7%	\$300,000	8.9%	\$24,405	7.5%	\$300,000	8.9%	\$24,405	7.5%
MISC SALES AND REFUNDS												
3047 Expired Slot Machine Wagering Vouchers	\$8,755,404	-19.1%	\$16,506,340	88.5%	\$8,360,000	-4.5%	\$8,146,340	49.4%	\$9,401,000	7.4%	\$7,105,340	43.0%
3107 Misc Fees [3-18][9-22]	\$520,655	27.0%	\$695,658	33.6%	\$339,700	-34.8%	\$355,958	51.2%	\$517,200	-0.7%	\$178,458	25.7%
3109 Court Admin Assessments [6-18][7-20]	\$0		\$0		\$0		\$0		\$0		\$0	
3114 Court Administrative Assessment Fee	\$1,582,424	-13.6%	\$1,419,507	-10.3%	\$2,005,000	26.7%	-\$585,493	-41.2%	\$1,857,000	17.4%	-\$437,493	-30.8%
3168 Declare of Candidacy Filing Fee	\$24,000	17.6%	\$58,241	142.7%	\$35,000	45.8%	\$23,241	39.9%	\$35,000	45.8%	\$23,241	39.9%
3202 Fees & Writs of Garnishments	\$755	-41.7%	\$570	-24.5%	\$1,300	72.2%	-\$730	-128.1%	\$800	6.0%	-\$230	-40.4%
3220 Nevada Report Sales	\$6,050	75.4%	\$1,215	-79.9%	\$7,500	24.0%	-\$6,285	-517.3%	\$7,500	24.0%	-\$6,285	-517.3%
3222 Excess Property Sales	\$18,447	186.2%	\$12,878	-30.2%	\$6,100	-66.9%	\$6,778	52.6%	\$6,300	-65.8%	\$6,578	51.1%
3240 Sale of Trust Property	\$0	-100.0%	\$0		\$900		-\$900		\$600		-\$600	
3243 Insurance - Misc	\$395,481	8.5%	\$391,986	-0.9%	\$364,800	-7.8%	\$27,186	6.9%	\$368,600	-6.8%	\$23,386	6.0%
3274 Misc Refunds	\$38,342	27.2%	\$32,662	-14.8%	\$34,300	-10.5%	-\$1,638	-5.0%	\$33,400	-12.9%	-\$738	-2.3%
3276 Cost Recovery Plan [7-18][8-20][10-22]	\$10,968,431	3.6%	\$9,079,171	-17.2%	\$10,476,578	-4.5%	-\$1,397,407	-15.4%	\$9,080,139	-17.2%	-\$968	0.0%
TOTAL MISC SALES & REF	\$22,309,988	-7.3%	\$28,198,227	26.4%	\$21,631,178	-3.0%	\$6,567,049	23.3%	\$21,307,539	-4.5%	\$6,890,688	24.4%
3255 Unclaimed Property [11-22]	\$47,672,493	52.8%	\$56,059,921	17.6%	\$26,317,000	-44.8%	\$29,742,921	53.1%	\$26,800,000	-43.8%	\$29,259,921	52.2%
TOTAL OTHER REVENUE	\$70,258,076	26.4%	\$84,582,554	20.4%	\$48,248,178	-31.3%	\$36,334,376	43.0%	\$48,407,539	-31.1%	\$36,175,015	42.8%
TOTAL GENERAL FUND REVENUE: BEFORE TAX CREDITS	\$4,529,322,702	8.6%	\$5,524,470,795	22.0%	\$4,229,355,110	-6.6%	\$1,295,115,685	23.4%	\$4,513,938,315	-0.3%	\$1,010,532,481	18.3%
TOTAL COMMERCE TAX CREDITS [13-16]	-\$43,106,568		-\$47,846,881		-\$43,362,000		-\$4,484,881		-\$44,611,000		-\$3,235,881	
TOTAL GENERAL FUND REVENUE: AFTER COMMERCE TAX CREDITS	\$4,486,216,133	8.9%	\$5,476,623,914	22.1%	\$4,185,993,110	-6.7%	\$1,290,630,804	23.6%	\$4,469,327,315	-0.4%	\$1,007,296,600	18.4%
TAX CREDIT PROGRAMS:												
FILM TRANSFERRABLE TAX CREDITS [TC-1]	-\$3,864,380		-\$1,483,723		-\$4,000,000		\$2,516,277		-\$5,000,000		\$3,516,277	
ECONOMIC DEVELOPMENT TRANSFERRABLE TAX CREDITS [TC-2]	\$0		\$0		\$0		\$0		\$0		\$0	
CATALYST ACCOUNT TRANSFERRABLE TAX CREDITS [TC-4]	\$0		-\$350,000		\$0		-\$350,000		\$0		-\$350,000	
NEVADA NEW MARKET JOBS ACT TAX CREDITS [TC-3]	-\$912,027		-\$23,671,913		-\$24,000,000		\$328,087		-\$24,000,000		\$328,087	
EDUCATION CHOICE SCHOLARSHIP TAX CREDITS [TC-5]	-\$7,114,615		-\$11,782,700		-\$6,655,000		-\$5,127,700		-\$11,400,000		-\$382,700	
COLLEGE SAVINGS PLAN TAX CREDITS [TC-6]	-\$499		-\$473		-\$2,500		\$2,027		-\$2,500		\$2,027	
AFFORDABLE HOUSING TRANSFERRABLE TAX CREDITS [TC-7]	\$0		\$0		-\$3,000,000		\$3,000,000		-\$3,000,000		\$3,000,000	
TOTAL TAX CREDIT PROGRAMS	-\$11,891,521		-\$37,288,809		-\$37,657,500		\$368,691		-\$43,402,500		\$6,113,691	
TOTAL GENERAL FUND REVENUE: AFTER TAX CREDITS	\$4,474,324,612	9.7%	\$5,439,335,105	21.6%	\$4,148,335,610	-7.3%	\$1,290,999,495	23.7%	\$4,425,924,815	-1.1%	\$1,013,410,290	18.6%

TABLE 2
FY 2022 GENERAL FUND REVENUE: ACTUAL VERSUS FORECAST COMPARISON
ECONOMIC FORUM DECEMBER 3, 2020, FORECAST AND MAY 4, 2021, FORECAST ADJUSTED FOR MEASURES APPROVED
DURING THE 2021 LEGISLATIVE SESSION AND COURT DECISIONS COMPARED TO ACTUAL COLLECTIONS

DESCRIPTION	FY 2021 ACTUAL % Change		FY 2022 ACTUAL % Change		Economic Forum December 3, 2020 Forecast			Economic Forum May 4, 2021 Forecast		
					FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual	FY 2022 FORECAST	% Change

NOTES:

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

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

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

- [2-18] A.B. 486 requires 25% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund in FY 2018 and FY 2019, with the remaining 75% deposited in the State Highway Fund. Under A.B. 486, 100% of the additional revenue generated from the GST 10% depreciation schedule change is required to be deposited in the State Highway Fund beginning in FY 2020 and going forward permanently. Estimated to generate \$19,367,000 in FY 2018 and \$19,573,500 in FY 2019.
- [3-18] S.B. 512 removes fees for the issuance of certain permits relating to the usage of piers, docks, buoys, or other facilities on navigable bodies of water in this state from NRS 322.120, and instead requires that the State Land Registrar of the Division of State Lands of the Department of Conservation and Natural Resources establish these fees by regulation, effective July 1, 2017. The bill requires that the first \$65,000 of the proceeds from these permit fees be deposited in the State General Fund in each fiscal year, with any proceeds in excess of \$65,000 to be used by the State Land Registrar to carry out programs to preserve, protect, restore, and enhance the natural environment of the Lake Tahoe Basin.
- [4-18] S.B. 514 requires that certain fees collected by the State Engineer of the Division of Water Resources of the Department of Conservation and Natural Resources relating to services for the adjudication and appropriation of water be deposited in the State General Fund. Estimated to generate \$3,467,000 per year in FY 2018 and FY 2019.
- [5-18] S.B. 515 requires that certain penalties received by the Securities Division of the Secretary of State's Office be deposited in the State General Fund, instead of the Secretary of State's Office's operating budget, effective July 1, 2017. Estimated to generate \$117,256 per fiscal year in FY 2018 and FY 2019.
- [6-18] Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2018 and FY 2019. Estimated to generate \$1,328,228 in FY 2018 and \$1,080,780 in FY 2019.
- [7-18] Adjustment to the Statewide Cost Allocation amount included in the Legislature Approves budget after the May 1, 2017, approval of the General Fund revenue forecast by the Economic Forum.

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

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

S.B. 415 also provides that if the ballot question is approved by the voters, identical exemptions for these products from the Local School Support Tax and other state and local taxes would become effective January 1, 2019, and would also expire on December 31, 2028. These exemptions will reduce the amount of the commission that is kept by the Department of Taxation and deposited in the State General Fund for collection of these taxes.
- [2-19] Section 39 of A.B. 518 provides General Fund appropriations of \$497,625 in FY 2018 and \$306,690 in FY 2019 to the Division of Enterprise Information Technology Services of the Department of Administration to enhance the state's cyber security resources. The legislatively approved repayment of these appropriations is 25 percent of the amounts appropriated per year, beginning in FY 2019 (for the FY 2018 appropriation) and in FY 2020 (for the FY 2019 appropriation).
- [3-19] Section 40 of A.B. 518 provides a General Fund appropriation of \$1,998,895 in FY 2018 to the Division of Enterprise Information Technology Services of the Department of Administration to increase the bandwidth and connectivity of the State's wide area network. The legislatively approved repayment of this appropriation is 25 percent of the amount appropriated per year, beginning in FY 2019.

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

- [1-20] A.B. 445 requires a marketplace facilitator, defined as a person who facilitates the sale of tangible personal property by a marketplace seller in the state of Nevada, to collect and remit sales and use taxes on certain sales that are facilitated on behalf of the marketplace seller, effective October 1, 2019. Estimated to generate \$16,459,000 in FY 2020 and \$21,945,000 in FY 2021 for the State 2% rate. This requirement is also estimated to increase collections for the General Fund Commissions by \$668,000 in FY 2020 (LSST: \$160,000; BCCRT: \$72,000; SCCRT: \$252,000; PTT: \$184,000) and \$892,000 in FY 2021 (LSST: \$214,000; BCCRT: \$96,000; SCCRT: \$336,000; PTT: \$246,000).
- [2-20] S.B. 535 removes the requirement that an amount equal to \$2 per slot machine collected from quarterly restricted and non-restricted slot machine fees be allocated to the Account to Support Programs for the Prevention and Treatment of Problem Gambling. Estimated to generate \$1,303,100 in FY 2020 (Non-restricted: \$1,149,400; Restricted: \$153,700) and \$1,298,800 in FY 2021 (Non-restricted: \$1,143,900; Restricted: \$154,900).
- [3-20] A.B. 535 increases the existing license fee on wholesale dealers of cigarettes, which is currently distributed between the State General Fund and local governments, and establishes new license fees for manufacturers, wholesale dealers of other tobacco products, and tobacco retailers. This bill requires all license fee proceeds to be retained by the Department of Taxation to administer and enforce the cigarette and OTP statutes. This action to require the license fees on wholesale dealers of cigarettes to be retained by the Department is estimated to reduce General Fund revenue by less than \$10,000 per year in FY 2020 and FY 2021; thus, no adjustment is made to the forecast.
- [4-20] S.B. 551 permanently repeals the provisions requiring the Modified Business Tax (MBT) tax rates on nonfinancial institutions (MBT-NFI), financial institutions (MBT-FI), and mining companies (MBT-Mining) to be reduced by the Department of Taxation if actual collections from these taxes, in combination with collections from the Commerce Tax and Branch Bank Excise Tax and tax credits taken against the MBT, are more than 4% above the Economic Forum's May forecast in any even-numbered fiscal year.

As a result of the passage of this bill, the rates for the MBT-NFI, which was to be reduced to 1.378% for all taxable wages in excess of \$50,000 per calendar quarter, and the MBT-FI and MBT-Mining, which were to be reduced to 1.853% for all taxable wages, effective July 1, 2019, will remain at the current rates of 1.475% (for the MBT-NFI) and 2% (for the MBT-FI and MBT-Mining), on and after that date. Estimated to generate \$48,166,000 in FY 2020 (MBT-NFI: \$44,101,000; MBT-FI: \$2,335,000; MBT-Mining: \$1,730,000) and \$49,998,000 in FY 2021 (MBT-NFI: \$45,827,000; MBT-FI: \$2,420,000; MBT-Mining: \$1,751,000).
- [5-20] S.B. 541 requires 25% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund on a permanent basis, effective July 1, 2019. The remaining 75% portion of these proceeds are to be deposited in the State Highway Fund. Estimated to generate \$21,954,000 in FY 2020 and \$22,321,000 in FY 2021.
- [6-20] S.B. 263 specifies that alternative nicotine products and vapor products, including e-cigarettes and their components, are subject to the 30 percent wholesale tax on other tobacco products, effective January 1, 2020. Estimated to generate \$3,699,000 in FY 2020 and \$7,931,000 in FY 2021.
- [7-20] Estimated portion of the revenue generated from Court Administrative Assessment Fees to be deposited in the State General Fund (pursuant to subsection 9 of NRS 176.059), based on the legislatively approved projections and the authorized allocation for the Court Administrative Assessment Fee revenues (pursuant to subsection 8 of NRS 176.059) for FY 2020 and FY 2021. Estimated to generate \$351,220 in FY 2020 and \$270,166 in FY 2021.
- [8-20] Adjustment to the Statewide Cost Allocation amount included in the Legislatively Approved budget after the May 1, 2019, approval of the General Fund revenue forecast by the Economic Forum.

**TABLE 2
FY 2022 GENERAL FUND REVENUE: ACTUAL VERSUS FORECAST COMPARISON
ECONOMIC FORUM DECEMBER 3, 2020, FORECAST AND MAY 4, 2021, FORECAST ADJUSTED FOR MEASURES APPROVED
DURING THE 2021 LEGISLATIVE SESSION AND COURT DECISIONS COMPARED TO ACTUAL COLLECTIONS**

DESCRIPTION	FY 2021 ACTUAL		FY 2022 ACTUAL		Economic Forum December 3, 2020 Forecast			Economic Forum May 4, 2021 Forecast				
		% Change		% Change	FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual	FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual
FY 2021: Notes 1 through 3 represent legislative actions approved during the 31st Special Session (July 2020).												
[1-21]	S.B. 3 requires the advance payment on the net proceeds of minerals (NPM) tax in FY 2021 based on the estimated net proceeds for the current calendar year 2021. This additional NPM tax payment in FY 2021 is estimated to generate \$54,500,000 from the General Fund portion of the tax due on the estimated net proceeds for calendar year 2021 based on the consensus estimate prepared by the Department of Taxation, Budget Division, and the Fiscal Analysis Division. The provisions of S.B. 3 also apply to FY 2022 and FY 2023, but the NPM tax reverts back to the former method (tax due based on actual mining activity from the preceding calendar year) of taxing net proceeds on July 1, 2023.											
[2-21]	S.B. 3 requires 100% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be allocated to the State General Fund in FY 2021 only. Beginning in FY 2022, the distribution reverts to 75% of the additional revenue generated from the GST 10% depreciation schedule change deposited in the State Highway Fund and 25% deposited in the State General Fund, as approved in S.B. 541 (2019). Estimated to generate an additional \$71,346,000 in FY 2021 for the State General Fund, based on the consensus estimate prepared by the Budget Division and the Fiscal Analysis Division.											
[3-21]	S.B. 3 requires the Department of Taxation to establish and conduct a tax amnesty program by which taxpayers may pay a fee, tax, or assessment required to be paid to the Department without incurring any penalties or interest that would otherwise be required as a result of the unpaid fee, tax, or assessment. This program is required to be conducted by the Department for a period of not more than 90 calendar days and must be concluded no later than June 30, 2021. Estimated to generate \$14,000,000 to the State General Fund and \$7,000,000 to the Distributive School Account (DSA) in FY 2021 based on the consensus estimate prepared by the Department of Taxation, Budget Division, and the Fiscal Analysis Division.											
FY 2022: Notes 1 and 2 represent legislative actions approved during the 2019 Legislative Session.												
[1-22]	Section 1 of A.B. 512 provides a General Fund appropriation of \$2,138,800 in FY 2020 to the Division of Enterprise Information Technology Services of the Department of Administration for the implementation of an enterprise cloud electronic mail and business productivity application. The legislatively approved repayment of this appropriation is 25 percent of the cost of the implementation of an enterprise cloud electronic mail and business productivity application per year, beginning in FY 2022.											
[2-22]	Section 2 of A.B. 512 provides a General Fund appropriation of \$4,186,202 in FY 2020 to the Division of Enterprise Information Technology Services of the Department of Administration for the replacement of firewalls. The legislatively approved repayment of this appropriation is 25 percent of the cost of the replacement of the firewalls per year, beginning in FY 2022.											
FY 2022: Notes 3 through 11 represent legislative actions approved during the 2021 Legislative Session.												
[3-22]	A.B. 495 imposes an annual tax on each business entity engaged in the business of extracting gold or silver in this State whose Nevada gross revenue in a taxable year exceeds \$20 million, effective July 1, 2021. The tax rate is 0.75% of all taxable revenue in excess of \$20 million, but not more than \$150 million; and 1.1% of all Nevada gross revenue in excess of \$150 million. The proceeds from this tax are to be deposited in the State General Fund in FY 2022 and FY 2023, but will be deposited in the State Education Fund as a dedicated state funding source for the benefit of K-12 education under the Pupil-Centered Funding Plan beginning in FY 2024. Estimated to generate \$83,802,000 in FY 2022 and \$80,996,000 in FY 2023.											
[4-22]	S.B. 440 provides an exemption from sales and use taxes on purchases of tangible personal property by members of the Nevada National Guard who are on active status and who are residents of this State and certain relatives of such members, if the purchase occurs on the date on which Nevada Day is observed or the immediately following Saturday or Sunday, between July 1, 2021, and June 30, 2031. The bill also revises the eligibility requirements for the current exemption that is authorized for members of the Nevada National Guard called into active service to provide that this exemption is available to these members and certain relatives, if the member has been called into active duty for a period of more than 30 days outside of the United States. The exemption is anticipated to reduce sales and use tax revenue for the state and local governments; however, an estimate of the potential reduction was not prepared.											
[5-22]	S.B. 367 provides an exemption from the Live Entertainment Tax for live entertainment that is provided by or entirely for the benefit of a governmental entity, effective upon passage and approval (June 4, 2021). Because this exemption is expected to provide a minimal reduction to LET revenues, no adjustment to the forecast was made.											
[6-22]	On May 13, 2021, the Nevada Supreme Court upheld a First Judicial District Court ruling that certain actions by the Legislature in Senate Bill 551 (2019) were unconstitutional, as that legislation was approved without the two-thirds majority in each house required in Article 4, Section 18 of the Nevada Constitution. As a result, the tax rates for the Modified Business Tax were reduced effective April 1, 2021 to the rates determined by the Department of Taxation on or before September 30, 2018, that were to become effective on July 1, 2019, pursuant to the provisions of NRS 360.203. The rate for the MBT-NFI was reduced from 1.475% to 1.378% for all taxable wages in excess of \$50,000 per calendar quarter and the rate for the MBT-FI and MBT-Mining was reduced from 2.0% to 1.853% on all quarterly taxable wages. The court ruling additionally requires the Department of Taxation to issue refunds for all MBT that was collected at the higher rates, between July 1, 2019, and March 31, 2021, based on the difference between the rate approved in S.B. 551 and the reduced rate determined by the Department in September 2018, as well as interest on the excess amount collected.											
	The adjustments to the May 2021 Economic Forum forecast reflect the estimated combined negative impact for each fiscal year for the refund and interest attributable to FY 2020 and FY 2021 overpayments as allocated to FY 2021 and FY 2022 and the tax rate reduction for the fourth quarter of FY 2021 and all four quarters of FY 2022 and FY 2023. The estimated negative impact to total MBT collections attributable to the refund and interest on tax overpayments for FY 2020 and FY 2021 allocated to FY 2021 is \$75,575,000 (MBT-NFI: \$68,066,000, MBT-FI: \$4,647,000, MBT-Mining: \$2,862,000) and allocated to FY 2022 is \$4,717,000 (MBT-NFI: \$3,722,000, MBT-FI: \$943,000, MBT-Mining: \$52,000). The estimated negative impact to total MBT collections attributable to the reduction in the tax rates for FY 2021 is \$12,128,000 (MBT-NFI: \$10,917,000, MBT-FI: \$785,000, MBT-Mining: \$426,000), for FY 2022 is \$50,573,000 (MBT-NFI: \$45,445,000, MBT-FI: \$3,386,000, MBT-Mining: \$1,742,000), and for FY 2023 is \$53,659,000 (MBT-NFI: \$48,238,000, MBT-FI: \$3,637,000, MBT-Mining: \$1,784,000). The estimates for the refund and interest are based on information provided by the Department of Taxation, based on an analysis of actual taxpayer accounts, regarding the potential total refund and interest amounts for the four quarters of FY 2020 and the three quarters of FY 2021 and the actual refund and interest amounts issued for each fiscal year in FY 2021 by each component of the MBT.											
[7-22]	S.B. 9 provides an exemption from licensure for investment advisers to certain qualifying private funds, effective July 1, 2022, if: (1) the investment adviser solely advises one or more qualifying private funds; (2) the investment adviser is not required to register with the Securities and Exchange Commission; (3) neither the investment adviser nor any of its advisory affiliates have engaged in certain bad acts; (4) the investment adviser files certain reports with the Administrator, who is the Deputy of Securities appointed by the Secretary of State; and (5) the investment adviser pays a fee prescribed by the Administrator. Estimated to reduce revenue by \$12,000 in FY 2023.											
[8-22]	S.B. 389 provides for the regulation and licensing of peer-to-peer car sharing programs by the Department of Motor Vehicles, and also provides that passenger cars that are shared through such a program are subject to a Short Term Car Lease Fee that is identical to the fee already collected by the Department of Taxation on the rental of other passenger cars in this state, effective October 1, 2021. Estimated to generate \$750,000 in FY 2022 and \$1,000,000 in FY 2023.											
[9-22]	The proceeds from the licensure of certain professional employer organizations (employee leasing companies), which were being retained by the Division of Industrial Relations in the Department of Business and Industry, were going to be deposited in the State General Fund beginning on July 1, 2021. The Economic Forum May 4, 2021, forecast accounted for this action by including an estimate of \$103,500 in G.L. 3107. Senate Bill 55 transfers the duties for regulating and licensing professional employer organizations from the Division to the Labor Commissioner, effective July 1, 2021. It was determined after the passage of S.B. 55 that the Labor Commissioner will post the revenues from the licensing fees in G.L. 3601, not G.L. 3107. Thus, a new line for G.L. 3601 – Professional Employer Organization Fee is added to the table and \$103,500 is transferred from the forecast for G.L. 3107 to this new G.L., resulting in a net zero change to the Economic Forum May 4, 2021, forecast.											
[10-22]	Adjustment to the Statewide Cost Allocation amount included in the Legislatively Approved budget after the May 4, 2021, approval of the General Fund revenue forecast by the Economic Forum.											

TABLE 2
FY 2022 GENERAL FUND REVENUE: ACTUAL VERSUS FORECAST COMPARISON
ECONOMIC FORUM DECEMBER 3, 2020, FORECAST AND MAY 4, 2021, FORECAST ADJUSTED FOR MEASURES APPROVED
DURING THE 2021 LEGISLATIVE SESSION AND COURT DECISIONS COMPARED TO ACTUAL COLLECTIONS

DESCRIPTION	FY 2021 ACTUAL		FY 2022 ACTUAL		Economic Forum December 3, 2020 Forecast				Economic Forum May 4, 2021 Forecast			
		% Change		% Change	FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual	FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual
[11-22]	A.B. 445 requires the State Controller, as soon as practicable after the close of FY 2021, to transfer \$1,000,000 from the Abandoned Property Trust Account (Unclaimed Property) to the Grant Matching Account for the purpose of providing grants or satisfying matching requirements for nongovernmental organizational grants by the Office of Federal Assistance in the Office of the Governor. For FY 2023 and all subsequent years, the first \$1.0 million of revenue from Unclaimed Property that is generated after the required transfer of the first \$7.6 million to the Millennium Scholarship Trust Fund must be transferred to the Grant Matching Account. The actions in A.B. 445, therefore, reduce the forecast for this revenue source by \$1.0 million per year in FY 2022, FY 2023, and all future fiscal years.											
FY 2024: Notes 1 and 2 represent legislative actions approved during the 2021 Legislative Session.												
[1-24]	A.B. 495 provides that, beginning in FY 2024, the portion of the Net Proceeds of Minerals Tax currently deposited in the State General Fund be instead deposited in the State Education Fund as a dedicated state funding source for the benefit of K-12 education under the Pupil-Centered Funding Plan. This action does not affect the Economic Forum's forecast for FY 2022 or FY 2023.											
[2-24]	S.B. 426 provides a General Fund appropriation of \$1,784,500 to the Division of Enterprise Information Technology Services of the Department of Administration for the replacement of the content management and portal platform. The legislatively approved annual repayment of this appropriation is 25 percent of the cost of the replacement of the content management and portal platform per year, beginning in FY 2024.											
TAX CREDIT PROGRAMS APPROVED BY THE LEGISLATURE												
[TC-1]	Pursuant to S.B. 165 (2013), the Governor's Office of Economic Development (GOED) could issue up to \$20 million per fiscal year for a total of \$80 million for the four-year pilot program in transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. The provisions of the film tax credit program were amended in S.B. 1 (28th Special Session (2014)) to reduce the total amount of the tax credits that may be approved by GOED to a total of \$10 million.											
[TC-2]	Pursuant to A.B. 492 (2017), a total of \$10 million per year in film tax credits may be awarded by GOED beginning in FY 2018, in addition to any remaining amounts from S.B. 1 of the 28th Special Session (2014). Any portion of the \$10 million per fiscal year that is not approved by GOED may be carried forward and made available during the next or any future fiscal year. The forecasts for FY 2021, FY 2022, and FY 2023 are based on information provided by the Nevada Film Office of Pursuant to S.B. 1 (28th Special Session (2014)), for certain qualifying projects, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to \$12,500 for each qualified employee employed by the participants in the project, to a maximum of 6,000 employees, plus 5 percent of the first \$1 billion of new capital investment in the State made collectively by the participants in the qualifying project, plus an additional 2.8 percent of the next \$2.5 billion in new capital investment in the State made collectively by the participants in the project. The amount of credits approved by GOED may not exceed \$45 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of \$195 million. The forecast is \$0 per fiscal year for FY 2021, FY 2022, and FY 2023, because the entirety of the \$195 million in transferrable tax credits that could be authorized pursuant to S.B. 1 have been awarded and used.											
[TC-3]	Pursuant to S.B. 1 (29th Special Session (2015)), for certain qualifying projects, the Governor's Office of Economic Development (GOED) is required to issue transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and the Gaming Percentage Fee Tax. The amount of transferrable tax credits are equal to \$9,500 for each qualified employee employed by the participants in the project, to a maximum of 4,000 employees. The amount of credits approved by GOED may not exceed \$7.6 million per fiscal year (though any unissued credits may be issued in subsequent fiscal years), and GOED may not issue total credits in excess of \$38 million. Because there are currently no eligible projects under this program, the forecast for these tax credits is \$0 per fiscal year for FY 2021, FY 2022, and FY 2023.											
[TC-3]	Pursuant to S.B. 357 (2013), the Nevada New Markets Jobs Act allows insurance companies to receive a credit against the tax imposed on insurance premiums in exchange for making qualified equity investments in community development entities, particularly those that are local and minority-owned. A total of \$200 million in qualified equity investments may be certified by the Department of Business and Industry. In exchange for making the qualified equity investment, insurance companies are entitled to receive a credit against the Insurance Premium Tax in an amount equal to 58 percent of the total qualified equity investment that is certified by the Department. The credits, which were allowed to be taken by insurance companies beginning in the third quarter of FY 2015 under the provisions of S.B. 357, may be taken in increments beginning on the second anniversary date of the original investment, as follows: 2 years after the investment is made: 12%; 3 years after the investment is made: 12%; 4 years after the investment is made: 12%; 5 years after the investment is made: 11%; and 6 years after the investment is made: 11%.											
[TC-4]	Pursuant to A.B. 446 (2019), an additional \$200 million in qualified equity investments may be certified by the Department of Business and Industry, effective July 1, 2019, with a total of \$116 million of credits that may be taken based on the increment percentages originally approved in S.B. 357 (2013). However, pursuant to A.B. 446, no credits may be taken against the Insurance Premium Tax before July 1, 2021 (FY 2022). The amounts shown reflect estimates of the amount of tax credits that will be taken in each fiscal year based on information provided by the Department of Business and Industry and the Department of Taxation during the 2021 Session.											
[TC-4]	S.B. 507 (2015) authorizes the Governor's Office of Economic Development (GOED) to approve transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax to new or expanding businesses to promote the economic development of Nevada. As approved in S.B. 507, the total amount of transferrable tax credits that may be issued is \$500,000 in FY 2016, \$2,000,000 in FY 2017, and \$5,000,000 for FY 2018 and each fiscal year thereafter. The amounts shown are the estimate based on the maximum amount that can be issued in each fiscal year.											
[TC-4]	A.B. 1 of the 29th Special Session (2015) reduced the total amount of transferrable tax credits that may be issued by GOED to zero in FY 2016, \$1 million in FY 2017, \$2 million per year in FY 2018 and FY 2019, and \$3 million in FY 2020. For FY 2021 and future fiscal years, the amount of credits that may be issued by GOED remains at \$5 million per year. The forecasts for FY 2021, FY 2022, and FY 2023 are based on information provided by GOED.											

**TABLE 2
FY 2022 GENERAL FUND REVENUE: ACTUAL VERSUS FORECAST COMPARISON
ECONOMIC FORUM DECEMBER 3, 2020, FORECAST AND MAY 4, 2021, FORECAST ADJUSTED FOR MEASURES APPROVED
DURING THE 2021 LEGISLATIVE SESSION AND COURT DECISIONS COMPARED TO ACTUAL COLLECTIONS**

DESCRIPTION	FY 2021 ACTUAL	% Change	FY 2022 ACTUAL	% Change	Economic Forum December 3, 2020 Forecast				Economic Forum May 4, 2021 Forecast			
					FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual	FY 2022 FORECAST	% Change	Difference: Actual minus Forecast	% Difference From Actual

- [TC-5] A.B. 165 (2015) allows taxpayers who make donations of money to certain scholarship organizations to receive a dollar-for-dollar credit against the taxpayer's liability for the Modified Business Tax (MBT). The total amount of credits that may be approved by the Department of Taxation (Department) is \$5 million in FY 2016, \$5.5 million in FY 2017, and 110 percent of the total amount of credits authorized in the previous year, for all subsequent fiscal years. The amounts shown reflect the estimate based on the assumption that the total amount authorized for each fiscal year will be donated to a qualified scholarship organization and taken as credits against the MBT.
- S.B. 555 (2017) authorized an additional \$20 million in credits against the MBT under this program in Fiscal Year 2018 beyond those that were authorized in FY 2018 based on the provisions of A.B. 165 (2015). Any amount of the \$20 million in credits that is not approved by the Department may be issued in future fiscal years. The forecast for FY 2019 is based on the amount of this \$20 million that was awarded in FY 2018, but not used against the MBT in that fiscal year, plus the maximum amount of annual credits allowed based on the statutory formula adopted in A.B. 165 (2015). The forecasts for FY 2020 and FY 2021 are based on the maximum amount of annual credits allowed based on the statutory formula in A.B. 165 only.
- A.B. 458 (2019) permanently eliminated the 10 percent increase in the amount of credits that may be authorized in each year, capping the total amount that may be authorized in each year at \$6,655,000 beginning in FY 2020. The bill additionally clarified that the \$6,655,000 limit per year applies to the combined credits that may be taken under both chapters of the MBT (Chapters 363A and 363B), rather than as a separate limit for each chapter.
- S.B. 551 (2019) authorized an additional \$4,745,000 in credits against the MBT (Chapters 363A and 363B combined) under this program per year in FY 2020 and FY 2021 beyond those that were authorized in those years based on the provisions of A.B. 458 (2019). Any amount of the \$4,745,000 in credits that is not approved by the Department in each fiscal year may be issued in future fiscal years.
- A.B. 495 (2021) authorized an additional \$4,745,000 in credits against the MBT (Chapters 363A and 363B combined) under this program per year in FY 2022 beyond those that are authorized in that year based on the provisions of A.B. 458 (2019). Any amount of the \$4,745,000 in credits that is not approved by the Department in FY 2022 may be issued in future fiscal years. The forecast for FY 2022 is based on the maximum amount of \$6,655,000 allowed pursuant to A.B. 458 (2019) plus the additional \$4,745,000 per year authorized under A.B. 458 (2019) that are expected to be taken in this fiscal year. Although the provisions of A.B. 495 (2021) authorized an additional \$4,745,000 in credits in FY 2022, the Fiscal Analysis Division has
- [TC-6] S.B. 412 (2015) provides a tax credit against the Modified Business Tax (MBT) to certain employers who match the contribution of an employee to one of the college savings plans offered through the Nevada Higher Education Prepaid Tuition Program and the Nevada College Savings Program authorized under existing law. The amount of the tax credit is equal to 25 percent of the matching contribution, not to exceed \$500 per contributing employee per year, and any unused credits may be carried forward for 5 years. The provisions relating to the Nevada College Savings Program are effective January 1, 2016, and the Higher Education Prepaid Tuition Program are effective July 1, 2016. The amounts shown are estimates based on information provided by the Treasurer's Office on enrollment and contributions for the college savings plans.
- [TC-7] S.B. 448 (2019) authorizes the Housing Division of the Department of Business and Industry (Division) to approve a total of \$40 million of transferrable tax credits that may be used against the Modified Business Tax, Insurance Premium Tax, and Gaming Percentage Fee Tax. Under the provisions of S.B. 448, the Division may award up to \$10 million in transferable tax credits per year to persons who develop affordable housing projects in Nevada over the four years of the pilot program, but may award an additional \$3 million in credits in any fiscal year if the issuance of the credits is necessary for the development of additional affordable housing projects in the state. If the Division approves any credits in excess of \$10 million in a fiscal year, the amount to be awarded in the next fiscal year must be reduced by the amount in excess of \$10 million that was issued in the previous fiscal year. If the Division does not issue all of the \$10 million in credits authorized in a fiscal year, that amount is carried forward and may be issued in a subsequent fiscal year.
- S.B. 284 (2021) made several changes to this tax credit program, including revising the procedure for the issuance of transferable tax credits so that transferable tax credits are issued before, rather than after, the project is completed; removing the 4-year sunset provisions originally established by S.B. 448 (2019), making the program permanent; and clarifying that the maximum amount of tax credits that may be issued under the program remains at \$40 million as established in S.B. 448 (2019). These changes to the program do not affect the forecasts approved by the Economic Forum for this tax credit program for FY 2021, FY 2022, or FY 2023, which are based on information provided by the Division.



Reduction of Modified Business Tax (MBT) Rates Based on Provisions in NRS 360.203

Presented to the Economic Forum
October 13, 2022

Department of Taxation

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Reduction of Modified Business Tax (MBT) Rates Based on Provisions in NRS 360.203

- By September 30th of each even-numbered year, the Department must evaluate whether an adjustment to the Modified Business Tax (MBT) rate is necessary based upon the amounts collected for the MBT, the commerce tax and the branch bank excise tax in the previous fiscal year.
 - To do this, the amounts of MBT, commerce tax, and bank excise tax collected for the previous fiscal year (in this case, FY22) are summed and compared to the amounts which were forecasted by the Economic Forum.
 - If the collected amount exceeds the forecasted amount by more than 4%, the MBT rates (for general business, financial institutions and mining) must be decreased proportionally so that the combined collected amount *would have been* only four percent higher than the forecasted amount. The bank excise tax and commerce tax rates are not affected.
- In FY22, the MBT rates were 1.378% for general business and 1.853% for financial institutions and mining.

Reduction of Modified Business Tax (MBT) Rates Based on Provisions in NRS 360.203

	Fiscal Year 2022					Fiscal Year 2024
	Tax Rates	Forecast*	Actual Collections*	Difference	Difference (%)	Tax Rates to be Effective
Modified Business Tax	1.378% (general business); 1.853% (financial institutions and mining)	\$649,505,500	\$755,671,771	\$106,166,271	16.35%	1.170% (general business); 1.554% (financial institutions and mining)
Commerce Tax	Varies by Industry	\$228,516,000	\$281,881,659	\$53,365,659	23.53%	No Change
Bank Excise Tax	\$1,750 per quarter for each branch office	\$2,512,000	\$2,336,987	-\$175,013	-6.97%	No Change
Total		\$880,533,500	\$1,039,890,417	\$159,356,917	18.10%	

*Net After Commerce Tax Credits and All Other Tax Credits

- The 4% over forecast threshold would have allowed for collections of \$915.75M, meaning the new MBT rates had to be calculated such that they *would have* resulted in that amount (keeping commerce tax and bank excise tax collections constant). When factoring in this reduced MBT rate in the upcoming forecasts, the collections in this area will be reduced potentially by around \$124M.
- The new reduced Modified Business Tax rates for FY24, as calculated pursuant to NRS 360.203, are **1.170%** for general business and **1.554%** for financial institutions and mining.



Reduction of Modified Business Tax (MBT) Rates Based on Provisions in NRS 360.203

- Difference in Calculated Reduced Rate and Statutory Required Rate
 - The calculated MBT reduced rates based on the reduction calculation methodology used in prior years were actually 1.169% for MBT general business and 1.553% for MBT financial institutions and mining.
 - However, to comply statutorily with the intent of NRS 360.203 subsection 4, the rate must not be below 1.17%.
 - Therefore, the new MBT rates will be 1.170% for general business and 1.554% for financial institutions and mining to maintain the proportional consistency of the MBT rate reduction calculation.

NRS 360.203 Reduction of rate of certain taxes on business under certain circumstances; duties of Department.

1. Except as otherwise provided in subsection 4, on or before September 30 of each even-numbered year, the Department shall determine the combined revenue from the taxes imposed by [chapters 363A](#) and [363B](#) of NRS and the commerce tax imposed by [chapter 363C](#) of NRS for the preceding fiscal year.

2. Except as otherwise provided in subsection 4, if the combined revenue determined pursuant to subsection 1 exceeds by more than 4 percent the amount of the combined anticipated revenue from those taxes for that fiscal year, as projected by the Economic Forum for that fiscal year pursuant to paragraph (e) of subsection 1 of [NRS 353.228](#) and as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year, the Department shall determine the rate at which the taxes imposed pursuant to [NRS 363A.130](#) and [363B.110](#), in combination with the revenue from the commerce tax imposed by [chapter 363C](#) of NRS, would have generated a combined revenue of 4 percent more than the amount anticipated. In making the determination required by this subsection, the Department shall reduce the rate of the taxes imposed pursuant to [NRS 363A.130](#) and [363B.110](#) in the proportion that the actual amount collected from each tax for the preceding fiscal year bears to the total combined amount collected from both taxes for the preceding fiscal year.

3. Except as otherwise provided in subsection 4, effective on July 1 of the odd-numbered year immediately following the year in which the Department made the determination described in subsection 1, the rates of the taxes imposed pursuant to [NRS 363A.130](#) and [363B.110](#) that are determined pursuant to subsection 2, rounded to the nearest one-thousandth of a percent, must thereafter be the rate of those taxes, unless further adjusted in a subsequent fiscal year.

4. If pursuant to subsection 3, the rate of the tax imposed pursuant to [NRS 363B.110](#) is 1.17 percent.

(a) The Department is no longer required to make the determinations required by subsections 1 and 2.

(b) The rate of the taxes imposed pursuant to [NRS 363A.130](#) and [363B.110](#) must not be further adjusted pursuant to subsection 3.

(Added to NRS by [2013, 2896](#); [R 2019, 3294](#))



Reduction of Modified Business Tax (MBT) Rates Based on Provisions in NRS 360.203

- In addition, the MBT Rate Reduction calculation will not need to be made again according to NRS 360.203 subsection 4(a). Because the MBT rate has reached the statutory rate of 1.17%, the Department is no longer required to make this determination.

NRS 360.203 Reduction of rate of certain taxes on business under certain circumstances; duties of Department.

1. Except as otherwise provided in subsection 4, on or before September 30 of each even-numbered year, the Department shall determine the combined revenue from the taxes imposed by [chapters 363A](#) and [363B](#) of NRS and the commerce tax imposed by [chapter 363C](#) of NRS for the preceding fiscal year.

2. Except as otherwise provided in subsection 4, if the combined revenue determined pursuant to subsection 1 exceeds by more than 4 percent the amount of the combined anticipated revenue from those taxes for that fiscal year, as projected by the Economic Forum for that fiscal year pursuant to paragraph (e) of subsection 1 of [NRS 353.228](#) and as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year, the Department shall determine the rate at which the taxes imposed pursuant to [NRS 363A.130](#) and [363B.110](#), in combination with the revenue from the commerce tax imposed by [chapter 363C](#) of NRS, would have generated a combined revenue of 4 percent more than the amount anticipated. In making the determination required by this subsection, the Department shall reduce the rate of the taxes imposed pursuant to [NRS 363A.130](#) and [363B.110](#) in the proportion that the actual amount collected from each tax for the preceding fiscal year bears to the total combined amount collected from both taxes for the preceding fiscal year.

3. Except as otherwise provided in subsection 4, effective on July 1 of the odd-numbered year immediately following the year in which the Department made the determination described in subsection 1, the rates of the taxes imposed pursuant to [NRS 363A.130](#) and [363B.110](#) that are determined pursuant to subsection 2, rounded to the nearest one-thousandth of a percent, must thereafter be the rate of those taxes, unless further adjusted in a subsequent fiscal year.

4. If pursuant to subsection 3, the rate of the tax imposed pursuant to [NRS 363B.110](#) is 1.17 percent:

(a) The Department is no longer required to make the determinations required by subsections 1 and 2;

(b) The rate of the taxes imposed pursuant to [NRS 363A.130](#) and [363B.110](#) must not be further adjusted pursuant to subsection 3.

(Added to NRS by [2015, 2896](#); [R 2019, 3294](#))

MODIFIED BUSINESS TAX (MBT) RATE REDUCTION CALCULATION BASED ON PROVISIONS IN NRS 360.203 (S.B. 483 - 2015)

Calculation is for the MBT Tax Rates Effective Beginning in FY 2024 (July 1, 2023) Based on the Calculation Using FY 2022 Actual Collections and the Economic Forum May 4, 2021, General Fund Revenue Forecast Adjusted for Actions Approved by the Legislature in the 2021 Regular Session (81st Session) and Court Decisions

	A	B: A x 1.04	C	D:	E: (C-B)	F: (D&E)	G	H	I: (F,G,&H)	J	K: (J-H)
Revenue Source	Forecast: Net After Commerce Tax Credits and All Other Tax Credits	Trigger Threshold: 104% of MBT- Total, Commerce Tax, and Branch Bank Excise Tax	Actual: Net After Commerce Tax Credits and All Other Tax Credits	Share of Total MBT	\$ Difference: Actual - Trigger Threshold	Allocated Rate Reduction Amount	Actual: Before Commerce Tax Credits and All Other Tax Credits	Current MBT Tax Rates ^(1.)	MBT Rates Based on Reduction Calculation ^(3.)	MBT Tax Rates After Adjustment to Comply with NRS 360.203, Subsection 4, Effective July 1, 2023 ^{(2-)(3-)(4.)}	MBT Tax Rate Reduction Amount
MBT-NFI (NRS Chapter 363B)			\$688,802,229	91.2%		\$113,150,796	\$747,602,083	1.378%	1.169%	1.170%	-0.208%
MBT-FI & Mining (NRS Chapter 363A)			\$66,869,542	8.8%		\$10,984,781	\$67,804,363	1.853%	1.553%	1.554%	-0.299%
MBT-Total	\$649,505,500		\$755,671,771	100.0%		\$124,135,577	\$815,406,446				
Commerce Tax (NRS Chapter 363C)	\$228,516,000		\$281,881,659								
Branch Bank Excise Tax (NRS Chapter 363A)	\$2,512,000		\$2,336,987								
Total-MBT: Total, Commerce Tax, and Branch Bank Excise Tax	\$880,533,500	\$915,754,840	\$1,039,890,417		\$124,135,577						

- NOTES:
- These are the MBT tax rates that resulted from the September 2018 rate reduction calculation performed by the Department of Taxation to be effective beginning with FY 2020 (July 1, 2019) until the passage of S.B. 551 during the 2019 Regular Session (80th Session). Based on the Nevada Supreme Court's ruling on May 13, 2021, upholding the First Judicial District Court's September 21, 2020, ruling that passage of Sections 2, 3, 37, and 39 of S.B. 551 without a two-thirds majority in the Senate was in violation of the Nevada Constitution, these MBT tax rates, based on the September 2018 rate reduction calculation under NRS 360.203, were required to be effective July 1, 2019, and the NRS 360.203 MBT rate reduction calculation provisions were to be retained in the NRS.
 - Pursuant to subsection 3 of NRS 360.203, any rate reduction required pursuant to subsections 1 and 2 of NRS 360.203 to the MBT-NFI tax rate (NRS 363B.110) and MBT-FI & Mining tax rate (NRS 363A.130) becomes effective on July 1 of the odd-numbered year immediately following the fiscal year in which the Department of Taxation made the determination.
 - The Department of Taxation used the same methodology to administer the MBT rate reduction calculation provisions in NRS 360.203 that were developed for the initial rate reduction calculation performed in September 2016 and was used for the September 2018 and September 2020 required calculations. There were no rate reductions required from the September 2016 and 2020 calculations. The actual MBT tax rates from the September 2022 calculation determined from the rate reduction calculation methodology were 1.169% for the MBT-NFI and 1.553% for the MBT-FI & Mining. However, to comply with the intent of the provisions of NRS 360.203, subsection 4, the Department was required to set the MBT-NFI rate at 1.170% and adjust the MBT-FI & Mining tax rate up to 1.554% to maintain the proportional consistency of the MBT rate reduction calculation.

Although the language in NRS 360.203, subsection 4, states "is 1.17 percent", the intent was for this requirement to be "less than or equal to 1.17 percent" based on the testimony on the rate reduction calculation provisions provided to the Assembly Committee of the Whole on May 30, 2015 during the 2015 Regular Session (79th Session). Based on this intent, if the rate reduction calculation results in a tax rate for the MBT-NFI at or below 1.17%, then the MBT-NFI tax rate is required to be imposed at 1.17% by the Department of Taxation.

- (4.) **NRS 360.203 Reduction of rate of certain taxes on business under certain circumstances; duties of Department.**
- Except as otherwise provided in subsection 4, on or before September 30 of each even-numbered year, the Department shall determine the combined revenue from the taxes imposed by chapters 363A and 363B of NRS and the commerce tax imposed by chapter 363C of NRS for the preceding fiscal year.
 - Except as otherwise provided in subsection 4, if the combined revenue determined pursuant to subsection 1 exceeds by more than 4 percent the amount of the combined anticipated revenue from those taxes for that fiscal year, as projected by the Economic Forum for that fiscal year pursuant to paragraph (e) of subsection 1 of NRS 353.228 and as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year, the Department shall determine the rate at which the taxes imposed pursuant to NRS 363A.130 and 363B.110, in combination with the revenue from the commerce tax imposed by chapter 363C of NRS, would have generated a combined revenue of 4 percent more than the amount anticipated. In making the determination required by this subsection, the Department shall reduce the rate of the taxes imposed pursuant to NRS 363A.130 and 363B.110 in the proportion that the actual amount collected from each tax for the preceding fiscal year bears to the total combined amount collected from both taxes for the preceding fiscal year.
 - Except as otherwise provided in subsection 4, effective on July 1 of the odd-numbered year immediately following the year in which the Department made the determination described in subsection 1, the rates of the taxes imposed pursuant to NRS 363A.130 and 363B.110 that are determined pursuant to subsection 2, rounded to the nearest one-thousandth of a percent, must thereafter be the rate of those taxes, unless further adjusted in a subsequent fiscal year.
 - If, pursuant to subsection 3, the rate of the tax imposed pursuant to NRS 363B.110 is 1.17 percent:
 - The Department is no longer required to make the determinations required by subsections 1 and 2; and
 - The rate of the taxes imposed pursuant to NRS 363A.130 and 363B.110 must not be further adjusted pursuant to subsection 3.
 (Added to NRS by 2015, 2896; R 2019, 3294)

MODIFIED BUSINESS TAX (MBT) RATE REDUCTION CALCULATION BASED ON PROVISIONS IN NRS 360.203 (S.B. 483 - 2015)

Calculation is for the MBT Tax Rates Effective Beginning in FY 2024 (July 1, 2023) Based on FY 2022 Actual Collections and the Economic Forum May 4, 2021, General Fund Revenue Forecast Adjusted for Actions Approved by the Legislature in the 2021 Regular Session (81st Session) and Court Decisions

Detailed Numbers on Actual and Forecast Collections for the Modified Business Tax (MBT), Commerce Tax, Branch Bank Excise Tax and Tax Credits Required for the MBT Rate Reduction Calculation Required in NRS 360.203	FY 2022 Forecast	FY 2022 Actual
	Economic Forum May 1, 2021, Forecast Adjusted for Legislative Actions and Court Decisions	Actual Numbers Reported by the Department of Taxation
MBT: GROSS BEFORE TAX CREDITS		
MBT-NFI: Gross Before Tax Credits	\$641,875,000	\$747,602,083
MBT-FI: Gross Before Tax Credits	\$41,734,000	\$46,926,269
MBT-Mining: Gross Before Tax Credits	\$21,910,000	\$20,878,094
MBT-Total: Gross Before Tax Credits	\$705,519,000	\$815,406,446
MBT: COMMERCE TAX CREDITS		
MBT-NFI: Commerce Tax Credits (NRS 363B.110 (4))		-\$47,232,337
MBT-FI: Commerce Tax Credits (NRS 363A.130 (4))		-\$548,227
MBT-Mining: Commerce Tax Credits (NRS 363A.130 (4))		-\$66,316
MBT-Total: Gross Before Tax Credits	-\$44,611,000	-\$47,846,881
MBT: GROSS AFTER COMMERCE TAX CREDITS		
MBT-NFI: Gross After Commerce Tax Credits		\$700,369,745
MBT-FI: Gross After Commerce Tax Credits		\$46,378,041
MBT-Mining: Gross After Commerce Tax Credits		\$20,811,778
MBT-Total: Gross After Commerce Tax Credits	\$660,908,000	\$767,559,565
TAX CREDIT PROGRAMS SPECIFIC TO THE MBT ONLY		
Education Choice Scholarship Tax Credits (NRS 363A.139 & 363B.119)		
MBT-NFI	-\$11,400,000	-\$11,782,700
MBT-FI&Mining		-\$11,462,423
College Savings Plan Tax Credits (NRS 363A.137 & 363B.117)		
MBT-NFI	-\$2,500	-\$473
MBT-FI&Mining		\$0
Total Tax Credits - MBT Specific	-\$11,402,500	-\$11,783,173
MBT-NFI	\$0	-\$11,462,896
MBT-FI&Mining	\$0	-\$320,277
MBT: NET AFTER COMMERCE TAX CREDITS AND TAX CREDITS SPECIFIC TO THE MBT ONLY		
MBT-Total: Net After Tax Credits Specific to the MBT Only	\$649,505,500	\$755,776,392
TAX CREDIT PROGRAMS NOT SPECIFIC TO THE MBT ONLY		
Film Transferrable Tax Credits (NRS 360.759)		
MBT-NFI	\$0	-\$104,621
MBT-FI&Mining	\$0	-\$104,621
Economic Development Transferrable Tax Credits (NRS 360.889)		
MBT-NFI	\$0	\$0
MBT-FI&Mining	\$0	\$0
Catalyst Account Transferrable Tax Credits (NRS 231.1555)		
MBT-NFI	\$0	\$0
MBT-FI&Mining	\$0	\$0
Total Tax Credits - Not MBT Specific	\$0	-\$104,621
MBT-NFI	\$0	-\$104,621
MBT-FI&Mining	\$0	\$0
MBT: NET AFTER COMMERCE TAX CREDITS AND ALL OTHER TAX CREDITS		
MBT-NFI: Net After Commerce Tax Credits and All Other Tax Credits		\$688,802,229
MBT-FI: Net After Commerce Tax Credits and All Other Tax Credits		\$46,057,764
MBT-Mining: Net After Commerce Tax Credits and All Other Tax Credits		\$20,811,778
MBT-Total: Net After Commerce Tax Credits and All Other Tax Credits	\$649,505,500	\$755,671,771
Commerce Tax (NRS Chapter 363C)	\$228,516,000	\$281,881,659
Branch Bank Excise Tax (NRS 363A.120)	\$2,512,000	\$2,336,987

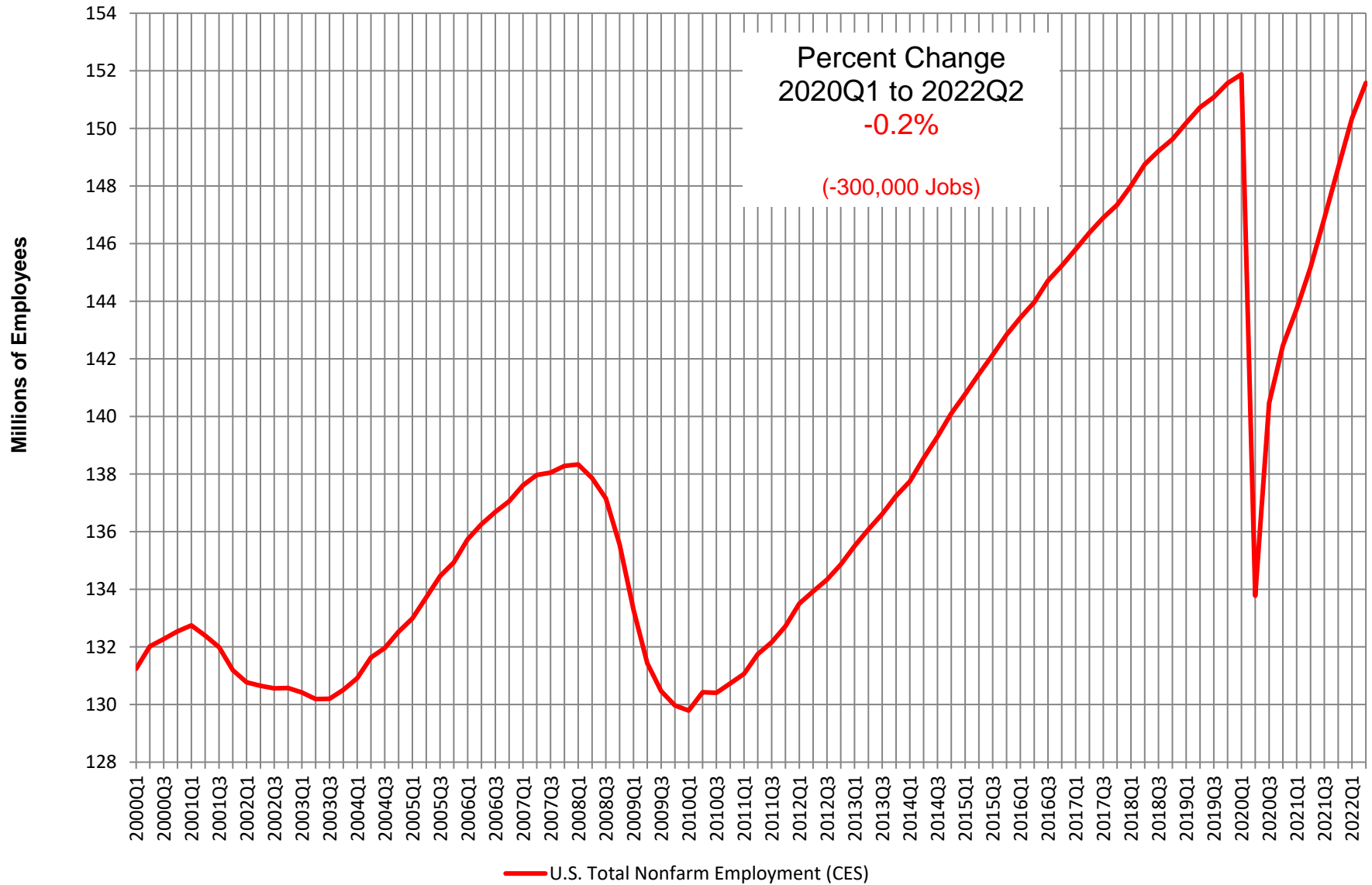
AGENDA ITEM XIV

Presentation on Personal Income and Wages in Relation to Population, Employment, and Inflation on a National Level and The State of Nevada

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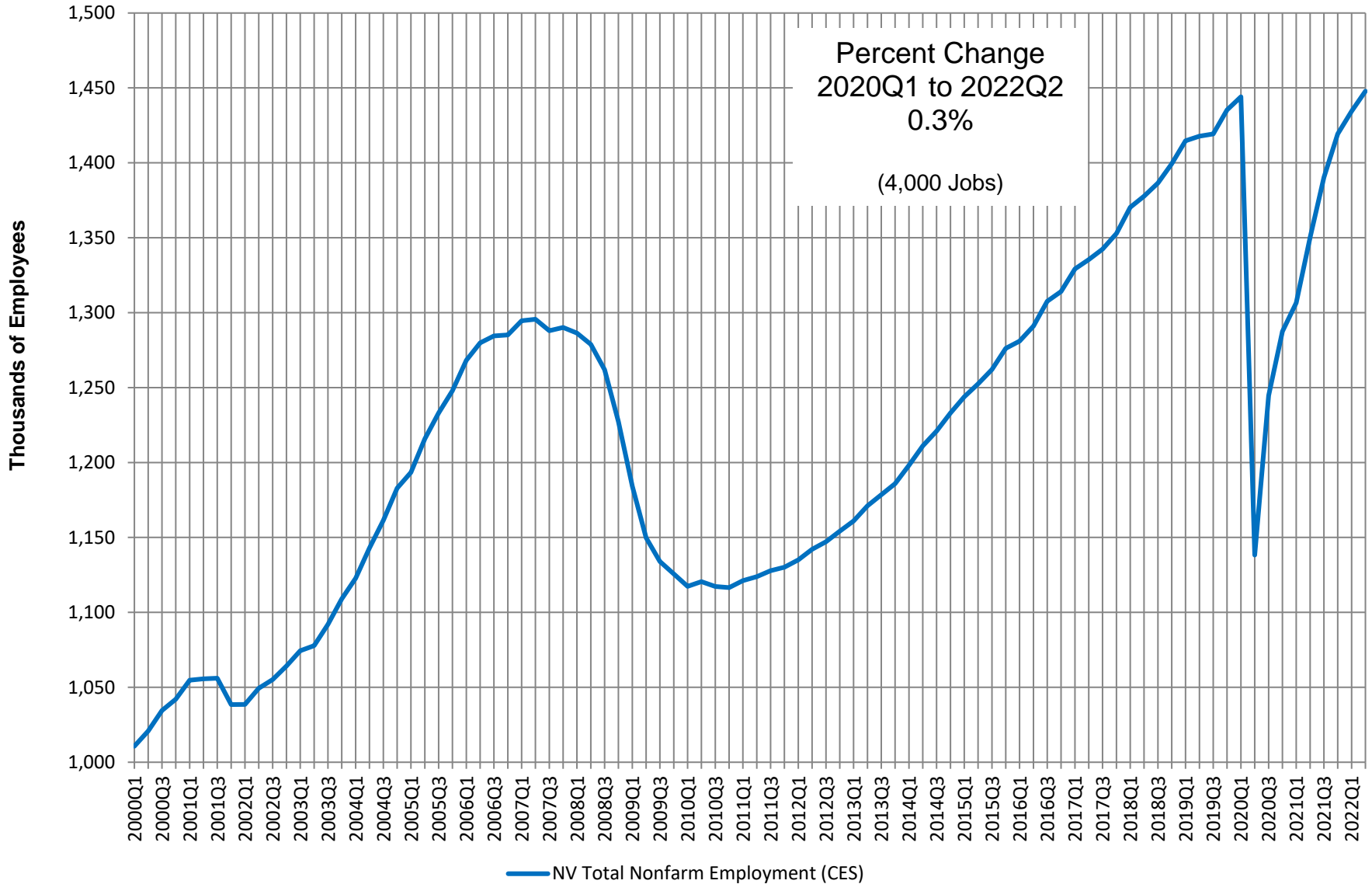
U.S. Total Nonfarm Employment 2000Q1 to 2022Q2

Source: BLS (Seasonally Adjusted)



Nevada Total Nonfarm Employment 2000Q1 to 2022Q2

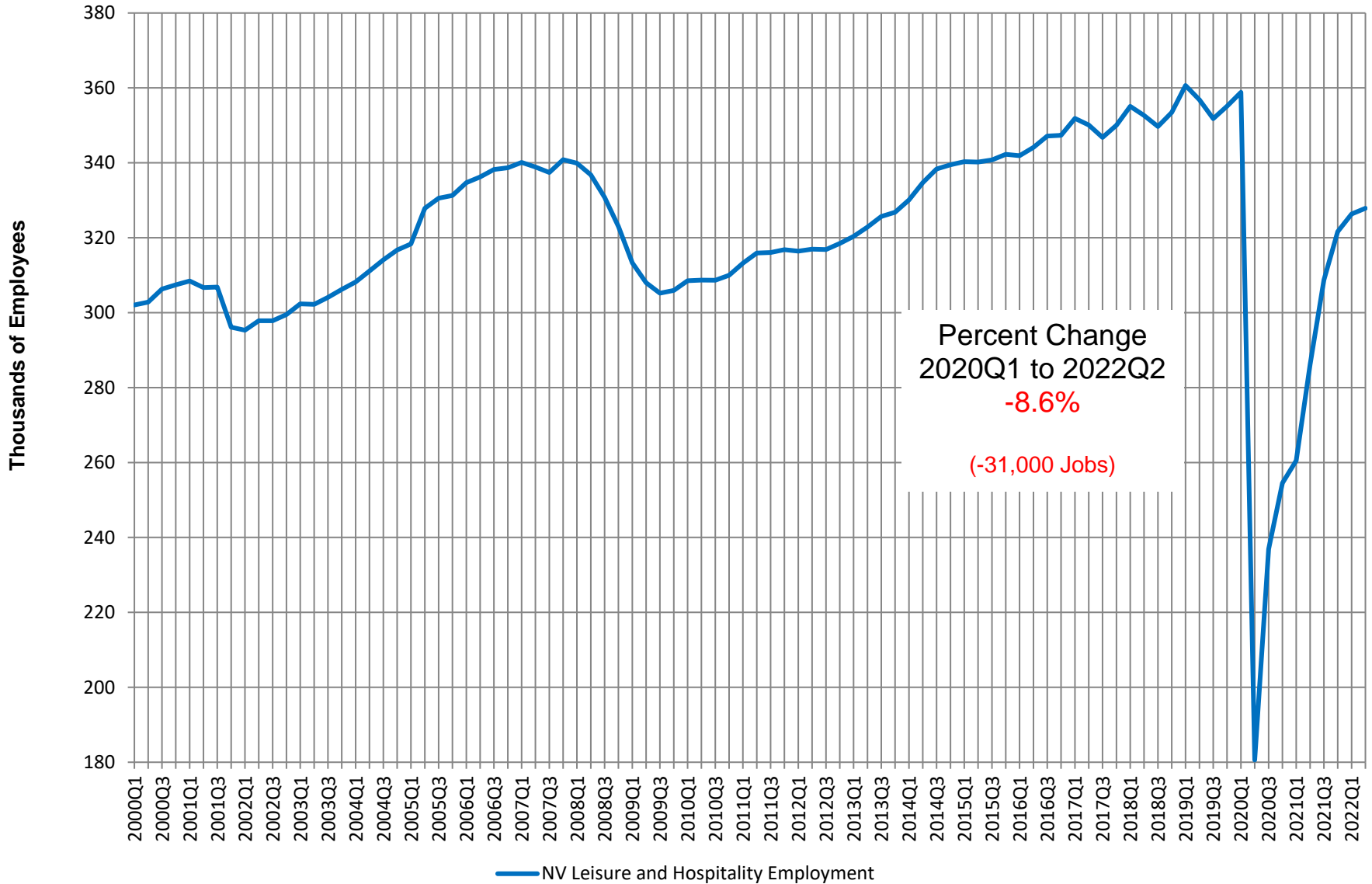
Source: BLS (Seasonally Adjusted)



Percent Change
2020Q1 to 2022Q2
0.3%
(4,000 Jobs)

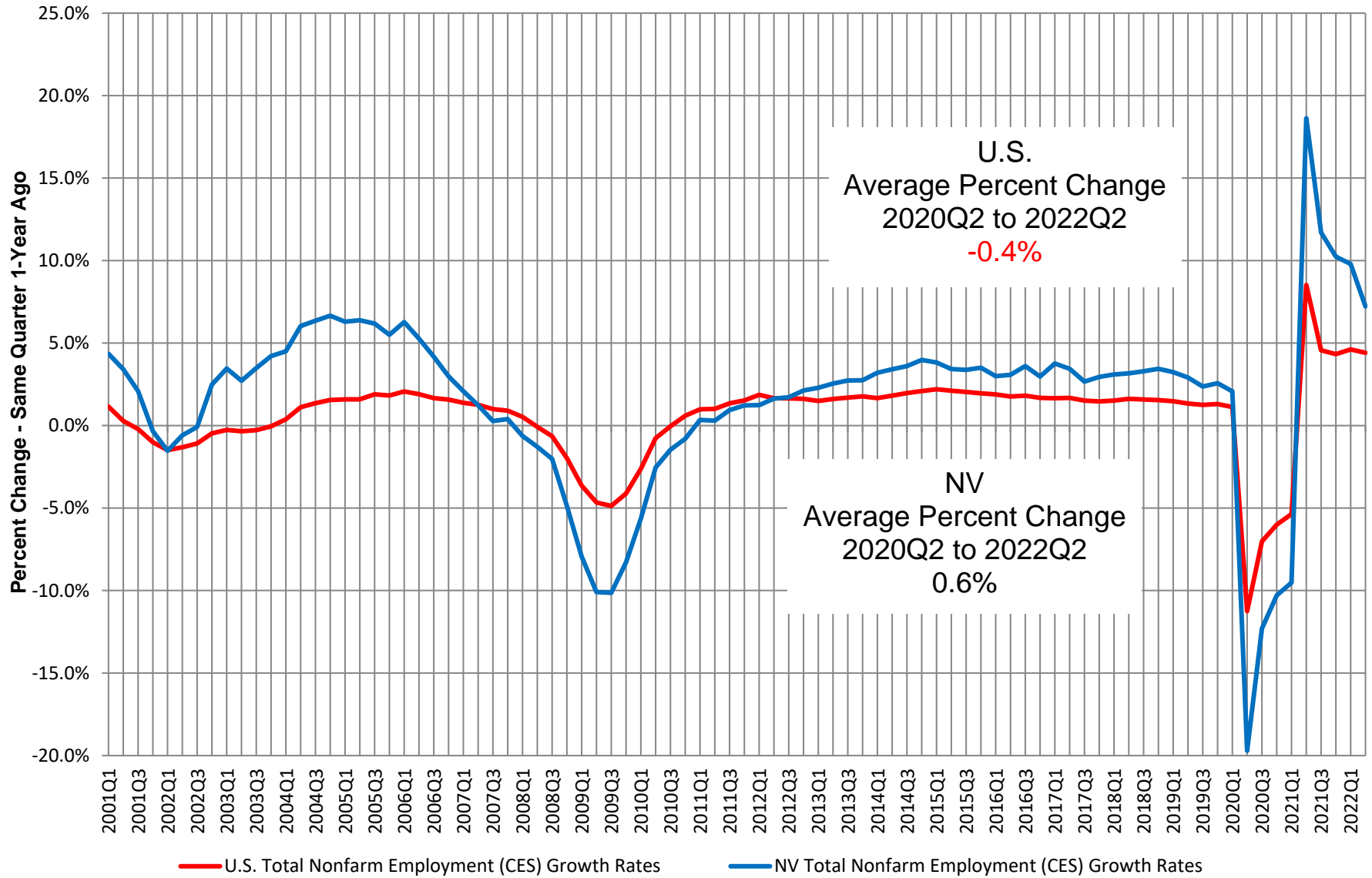
Nevada Leisure and Hospitality Employment 2000Q1 to 2022Q2

Source: BLS (Seasonally Adjusted)



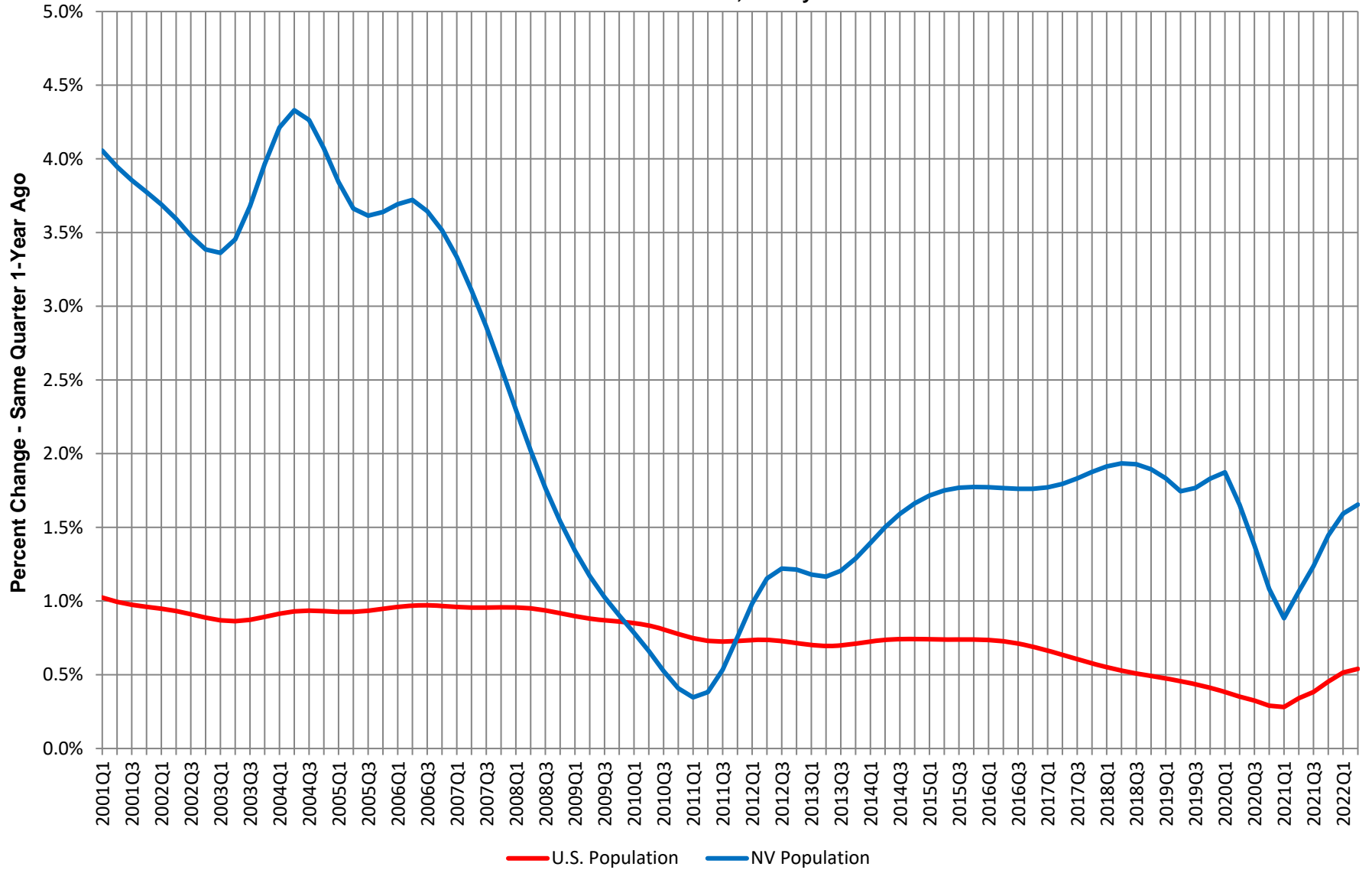
U.S. vs. Nevada Employment Growth Rates 2001Q1 to 2022Q2

Source: BLS



U.S. vs. Nevada Population Growth Rates 2001Q1 to 2022Q2

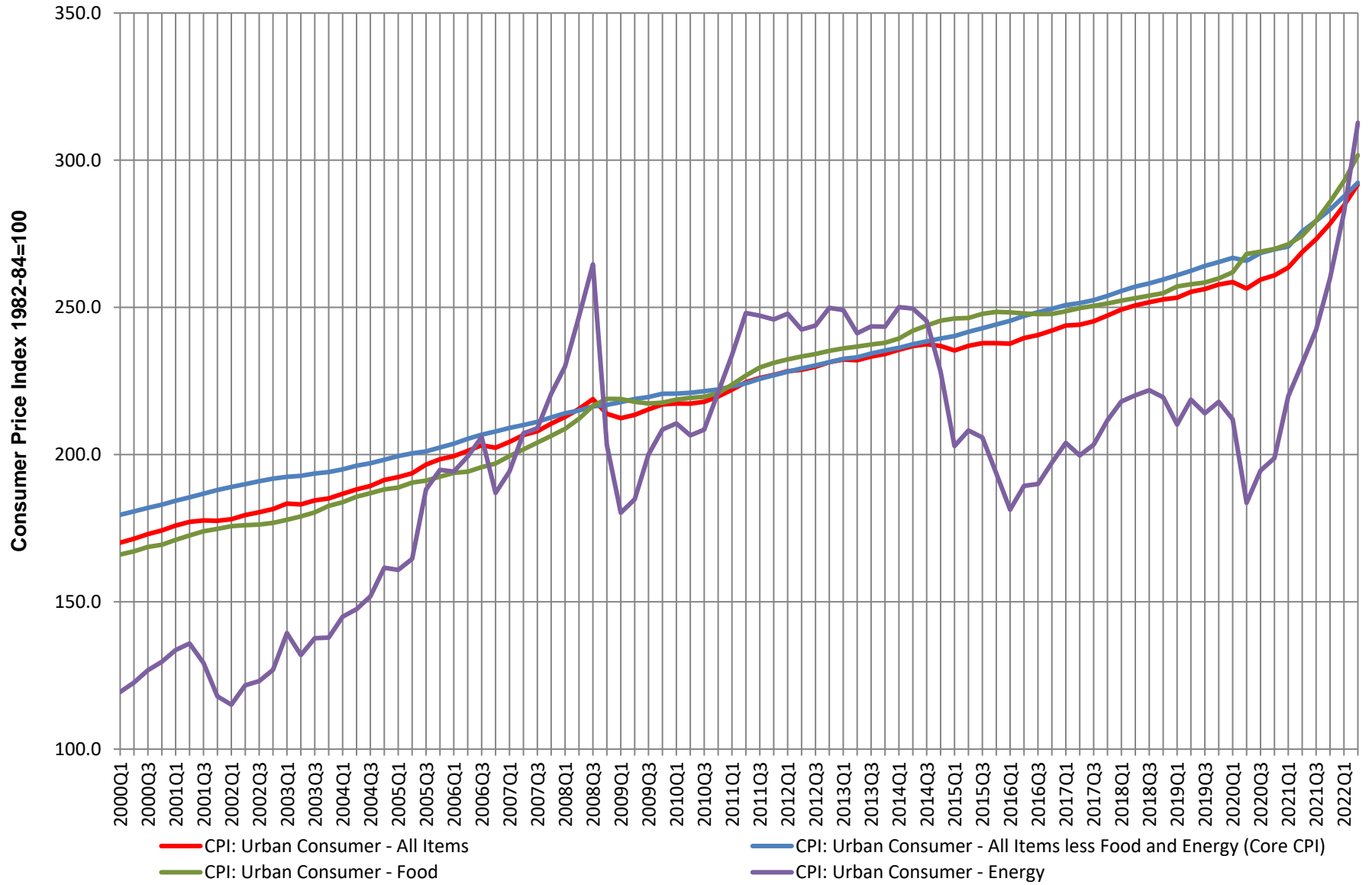
Source: Census Bureau, Moody's



U.S. Consumer Price Index (CPI) and Select CPI Components

2000Q1 to 2022Q2

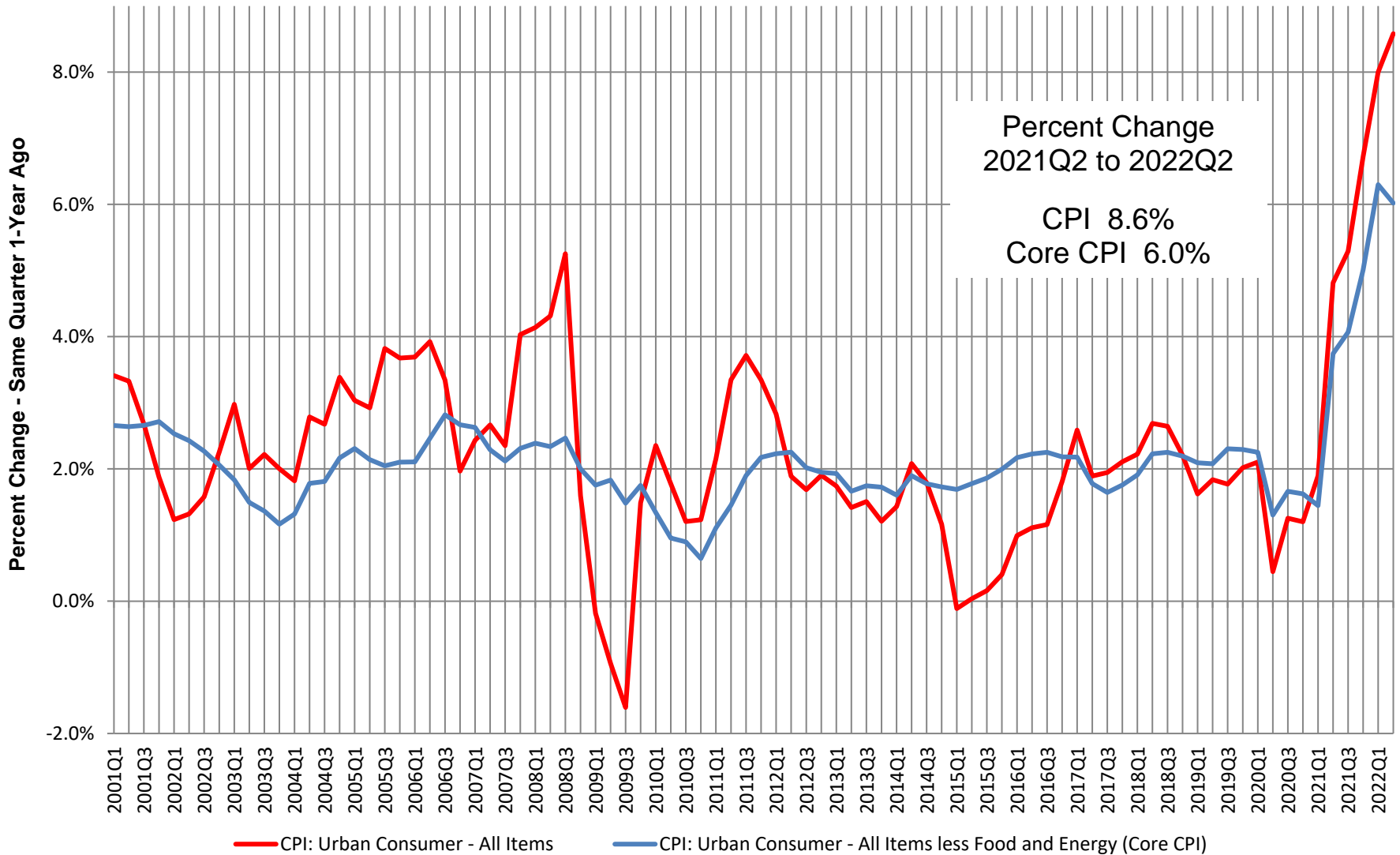
(Index 1982-84=100) Source: BLS



U.S. Consumer Price Index (CPI) and Core CPI Growth Rates

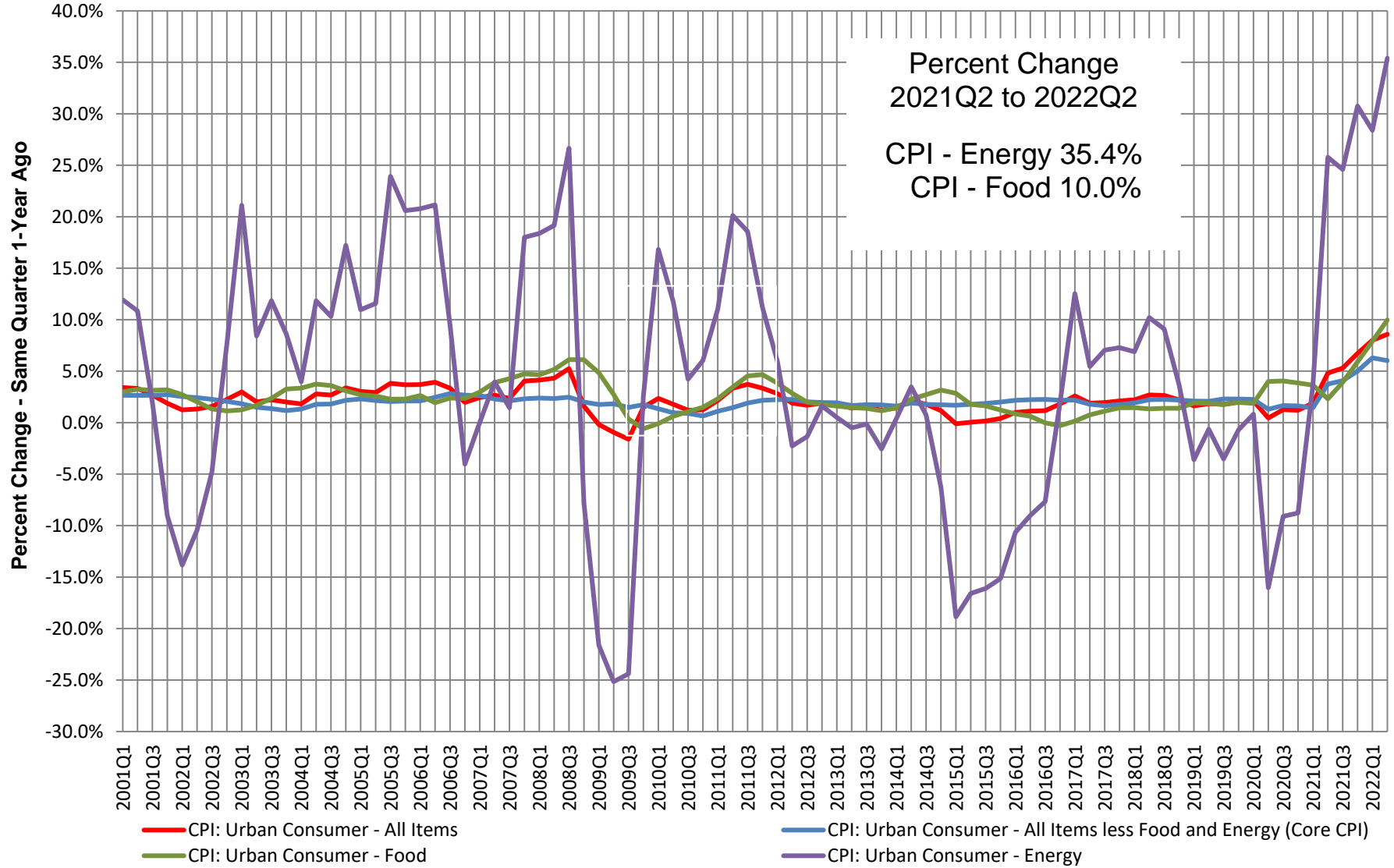
2001Q1 to 2022Q2

Source: BLS



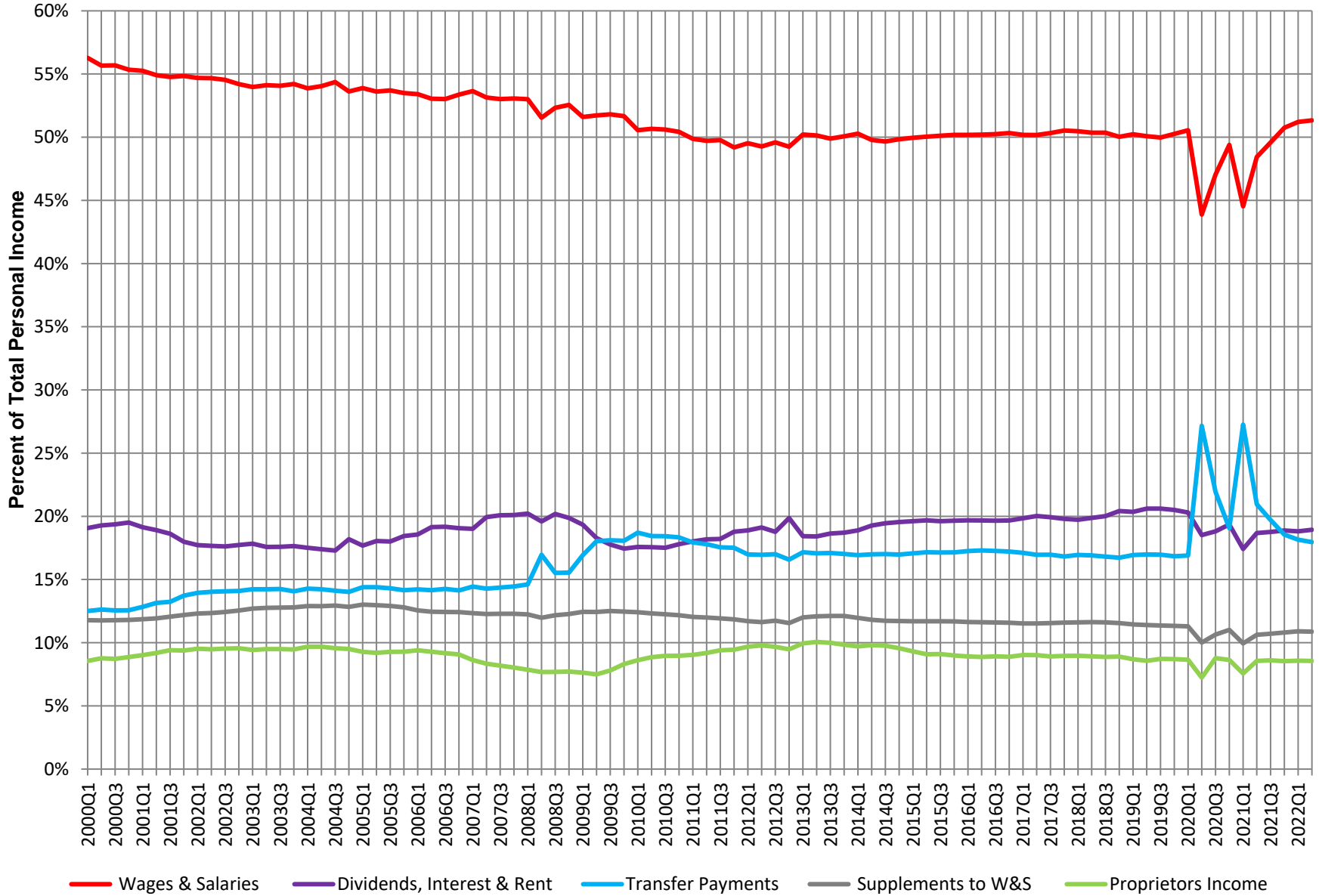
U.S. Consumer Price Index (CPI) and Select CPI Components Growth Rates 2001Q1 to 2022Q2

Source: BLS



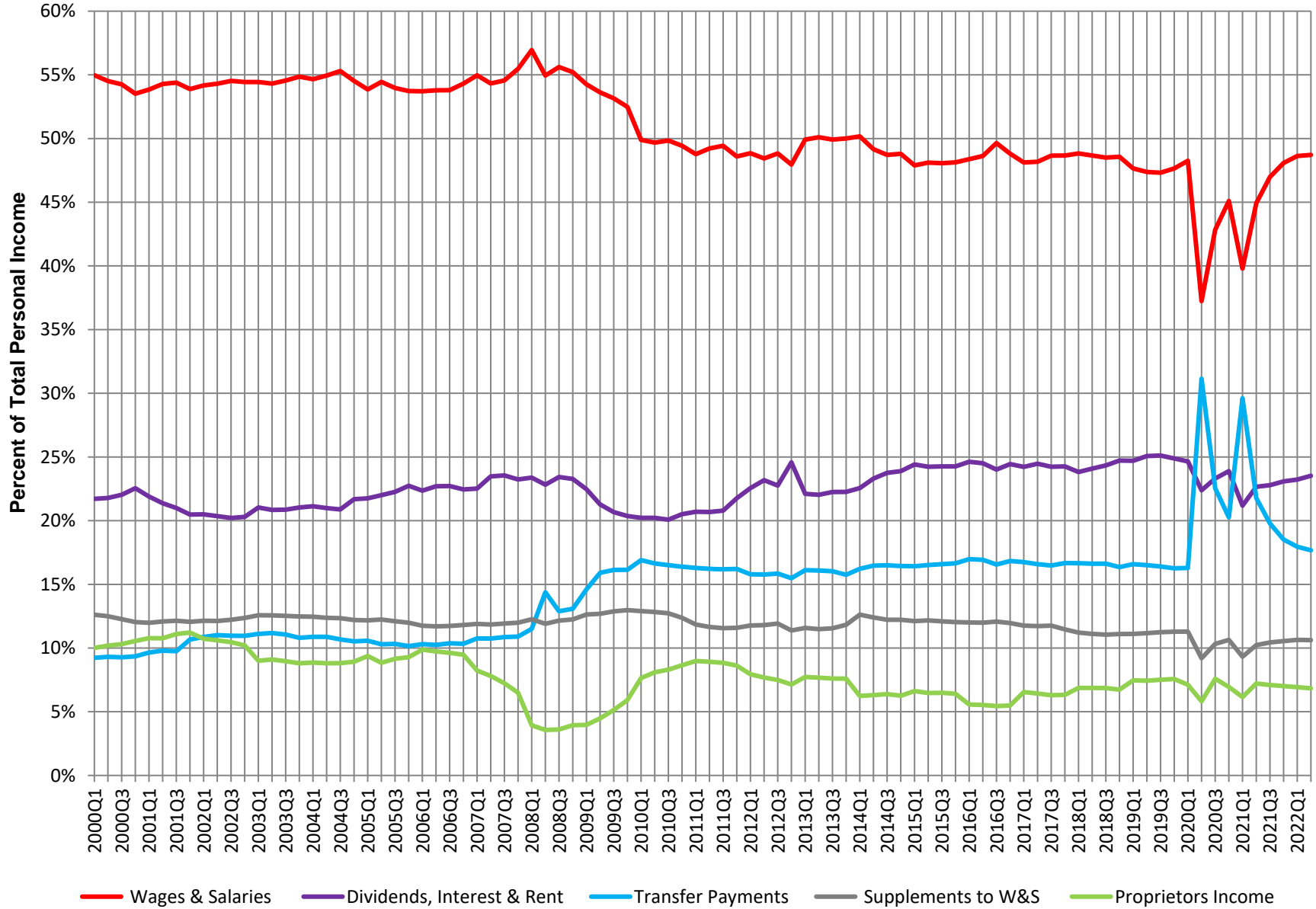
U.S. Components of Total Personal Income - 2000Q1 to 2022Q2

Source: BEA



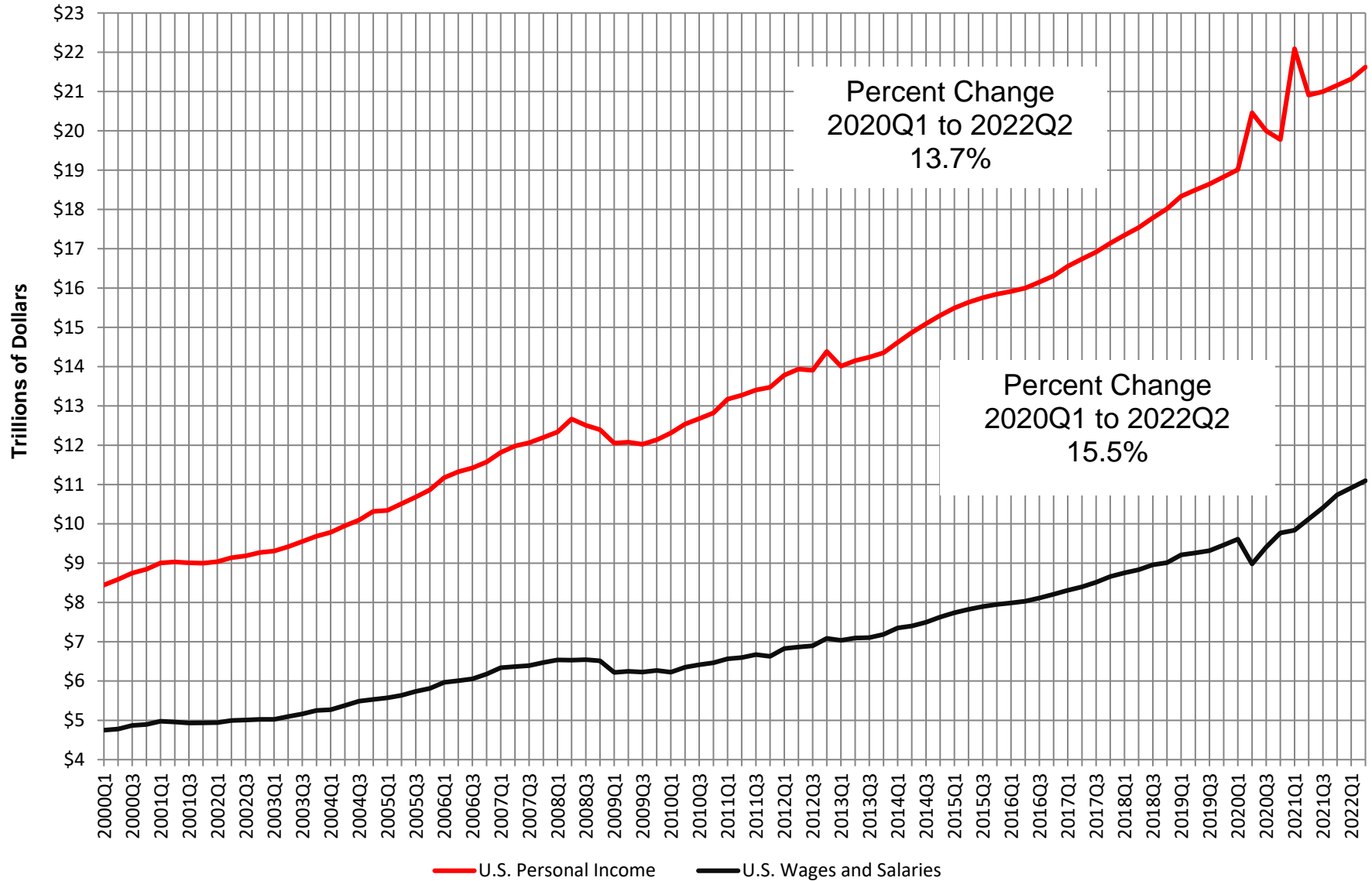
Nevada Components of Total Personal Income - 2000Q1 to 2022Q2

Source: BEA



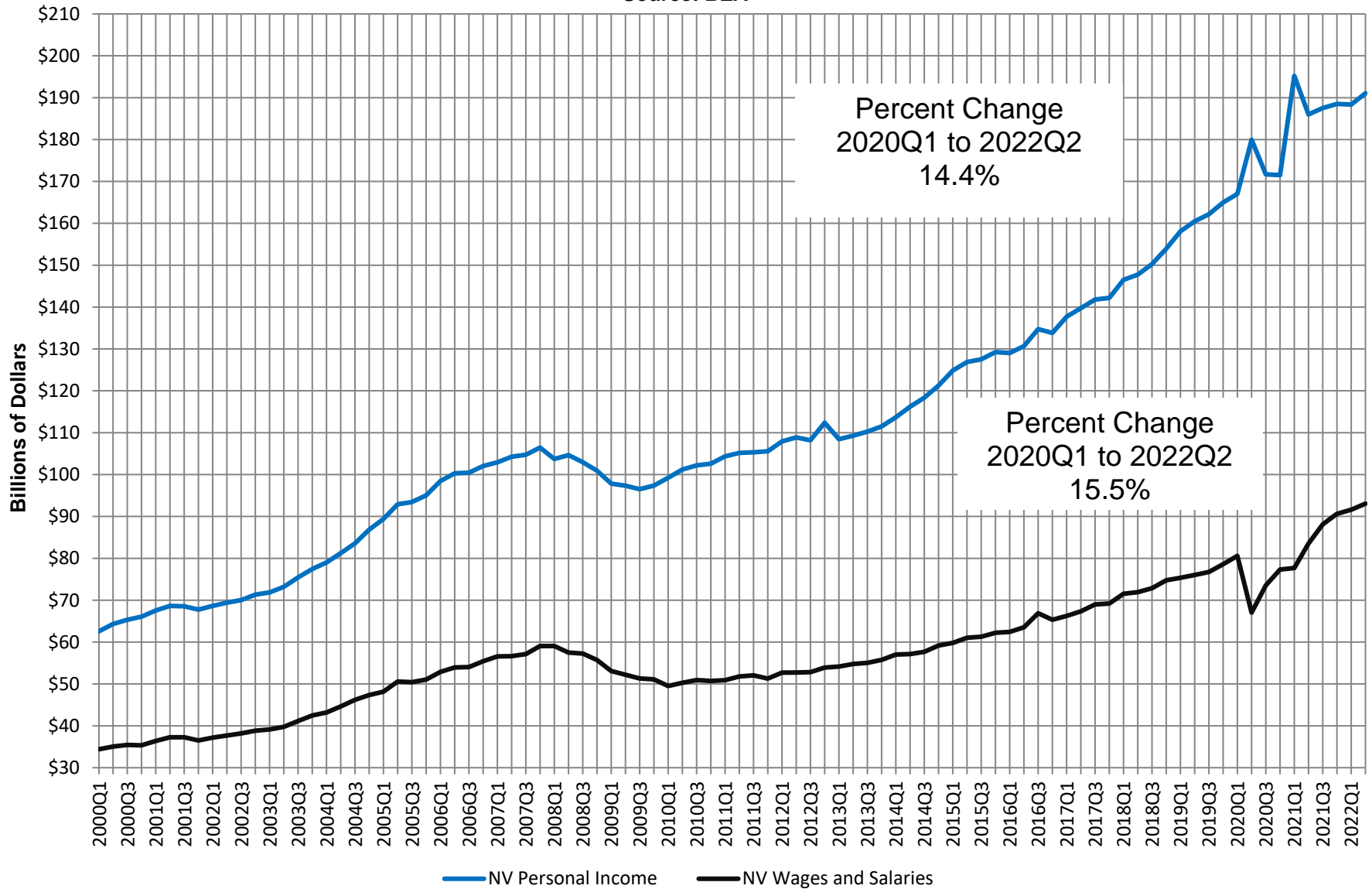
U.S. Total Personal Income and Total Wages and Salaries 2000Q1 to 2022Q2

Source: BEA



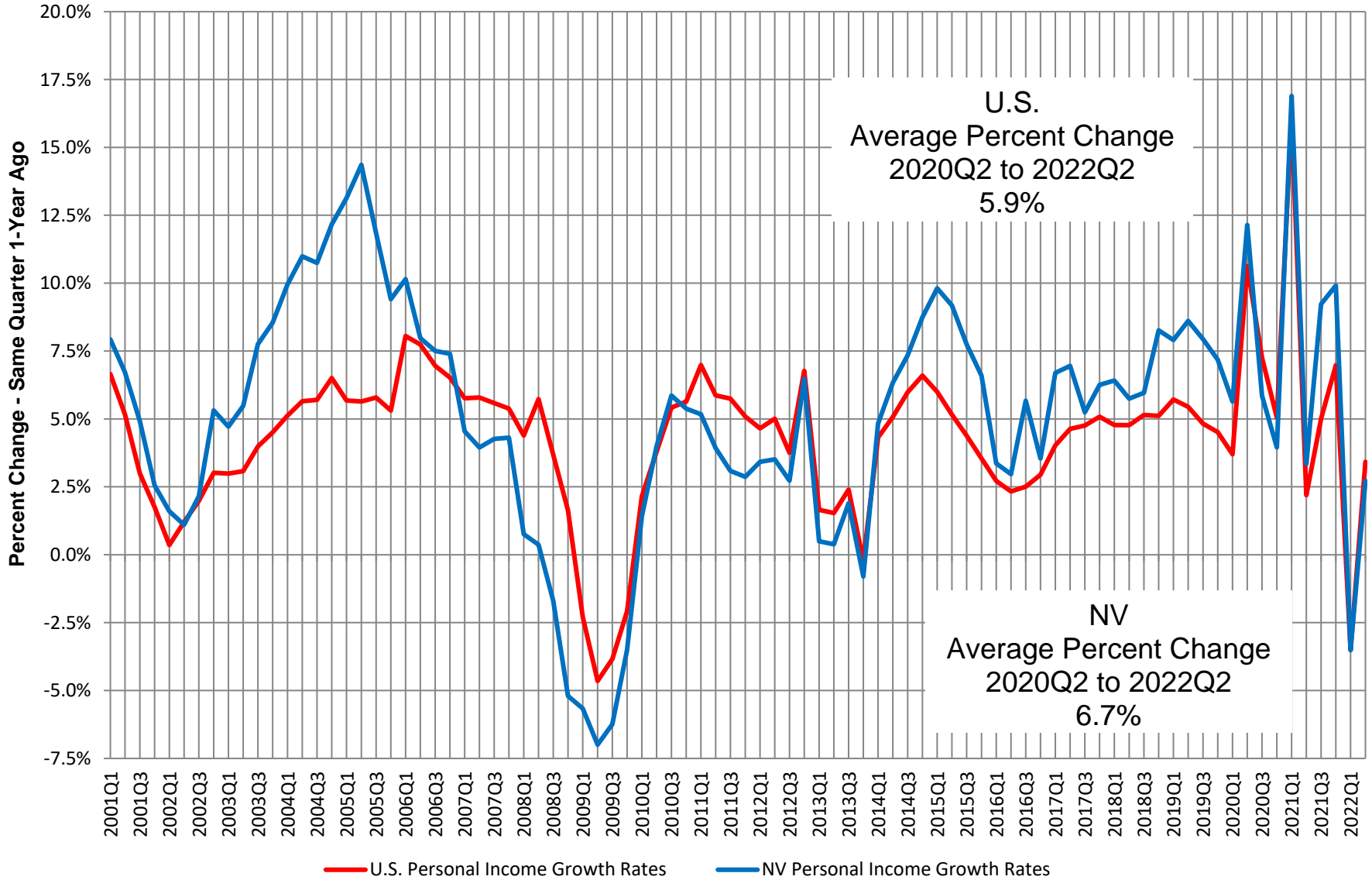
Nevada Total Personal Income and Total Wages and Salaries 2000Q1 to 2022Q2

Source: BEA



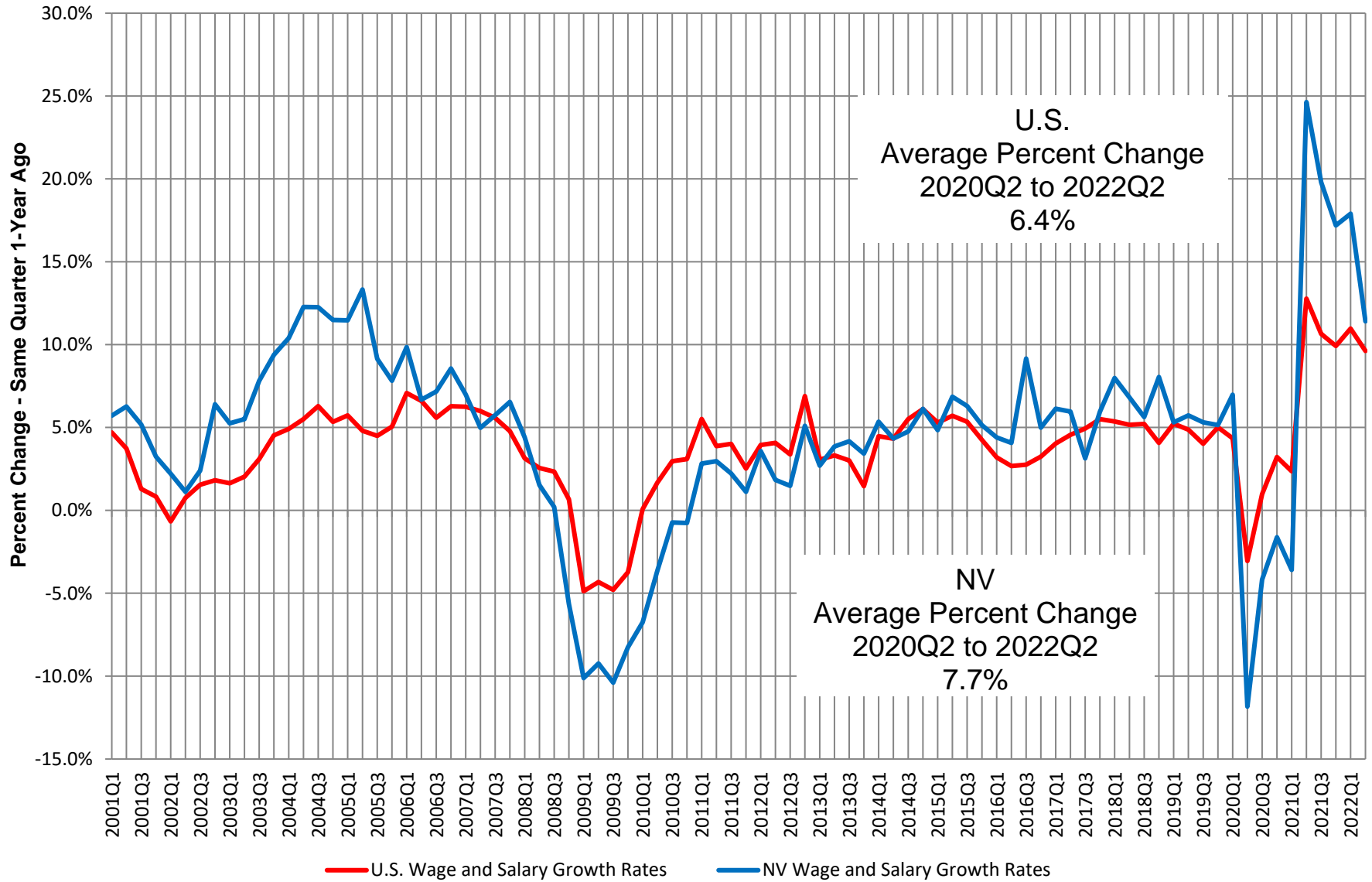
U.S. vs. Nevada Personal Income Growth Rates 2001Q1 to 2022Q2

Source: BEA



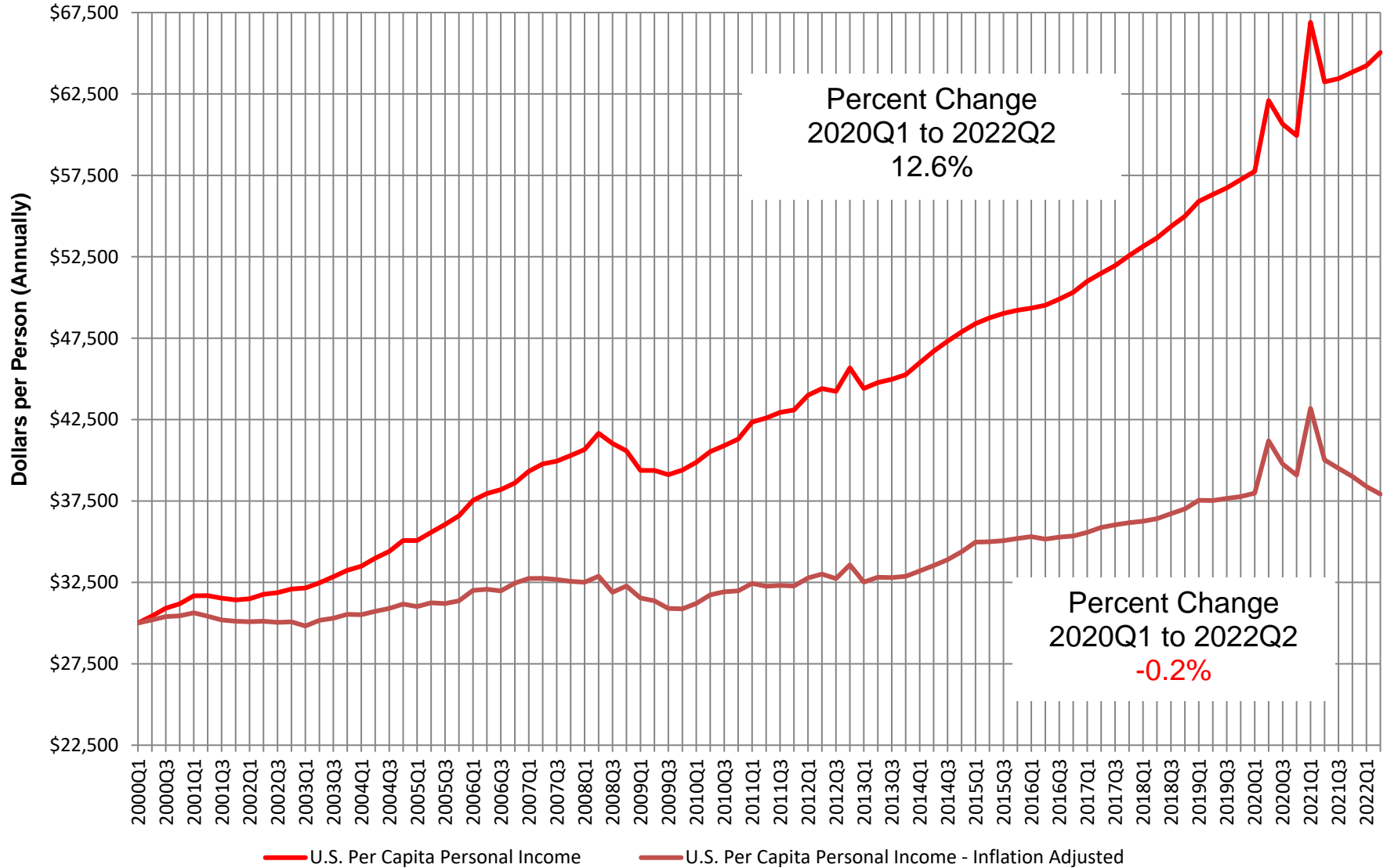
U.S. vs. Nevada Wage and Salary Growth Rates 2001Q1 to 2022Q2

Source: BEA



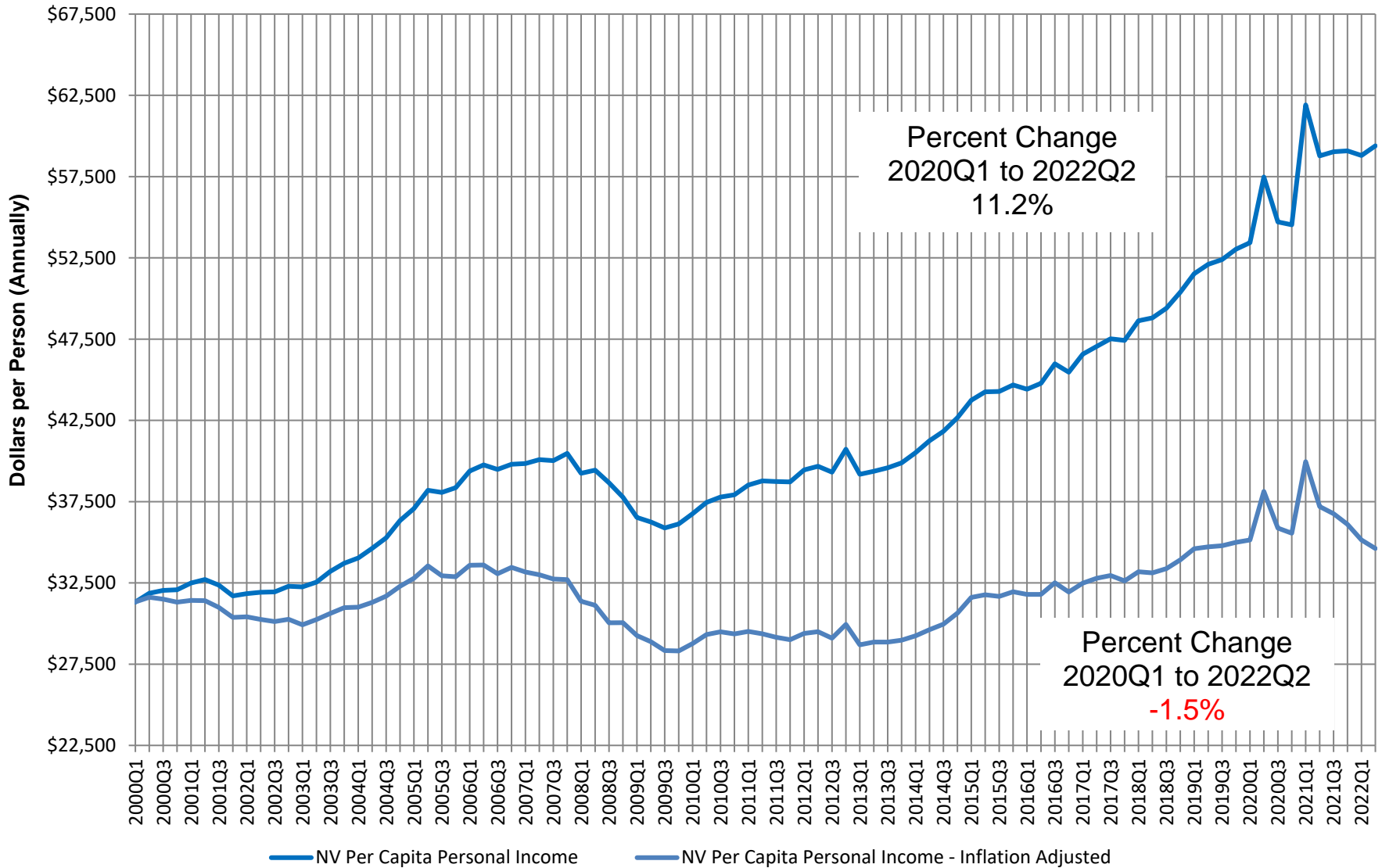
U.S. Per Capita Personal Income 2000Q1 to 2022Q2

Source: Census Bureau, BLS and BEA (Seasonally Adjusted Annual Rates)
(Index 2000Q1=100)



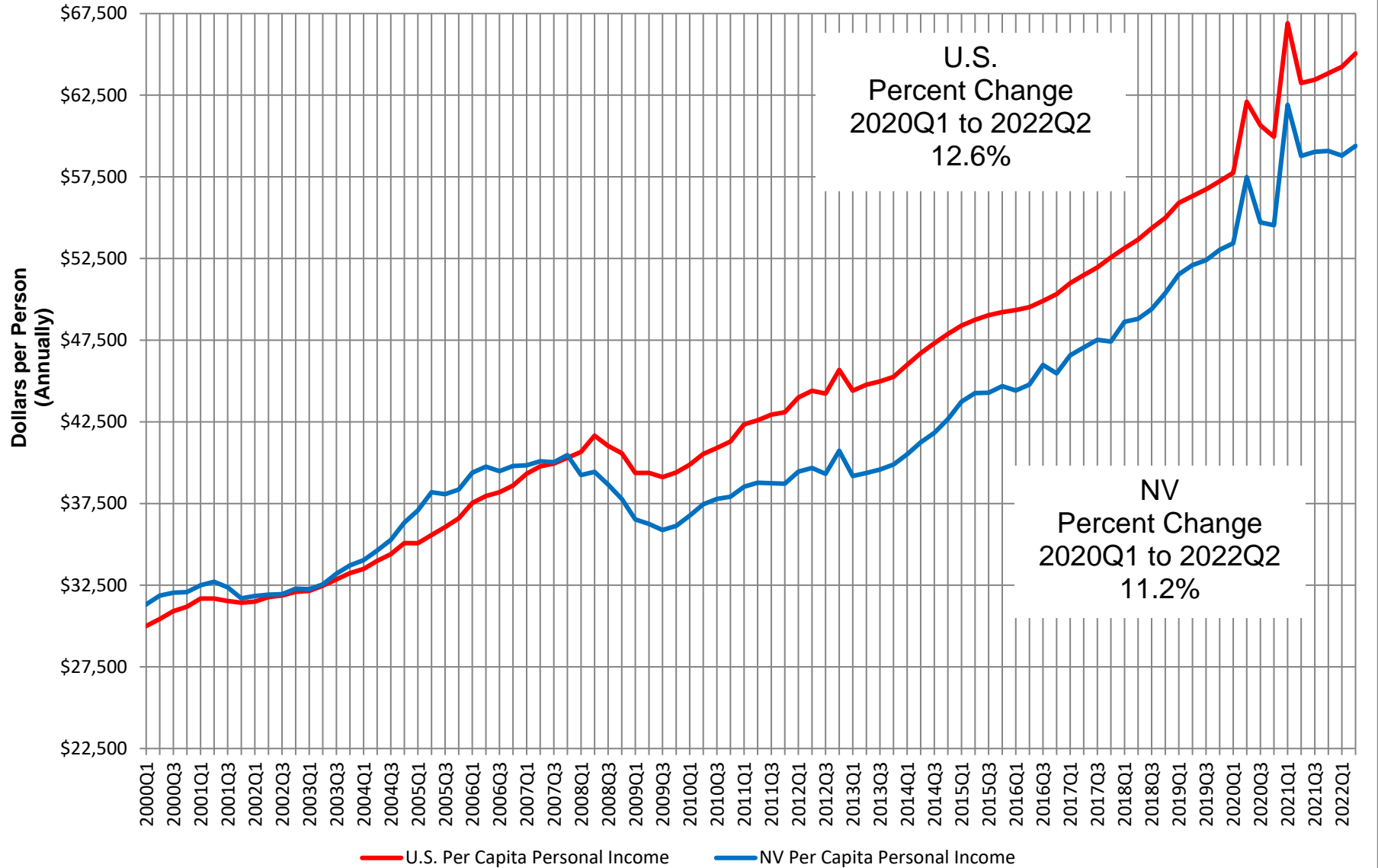
Nevada Per Capita Personal Income 2000Q1 to 2022Q2

Source: Census Bureau, BLS and BEA (Seasonally Adjusted Annual Rates)
(Index 2000Q1=100)



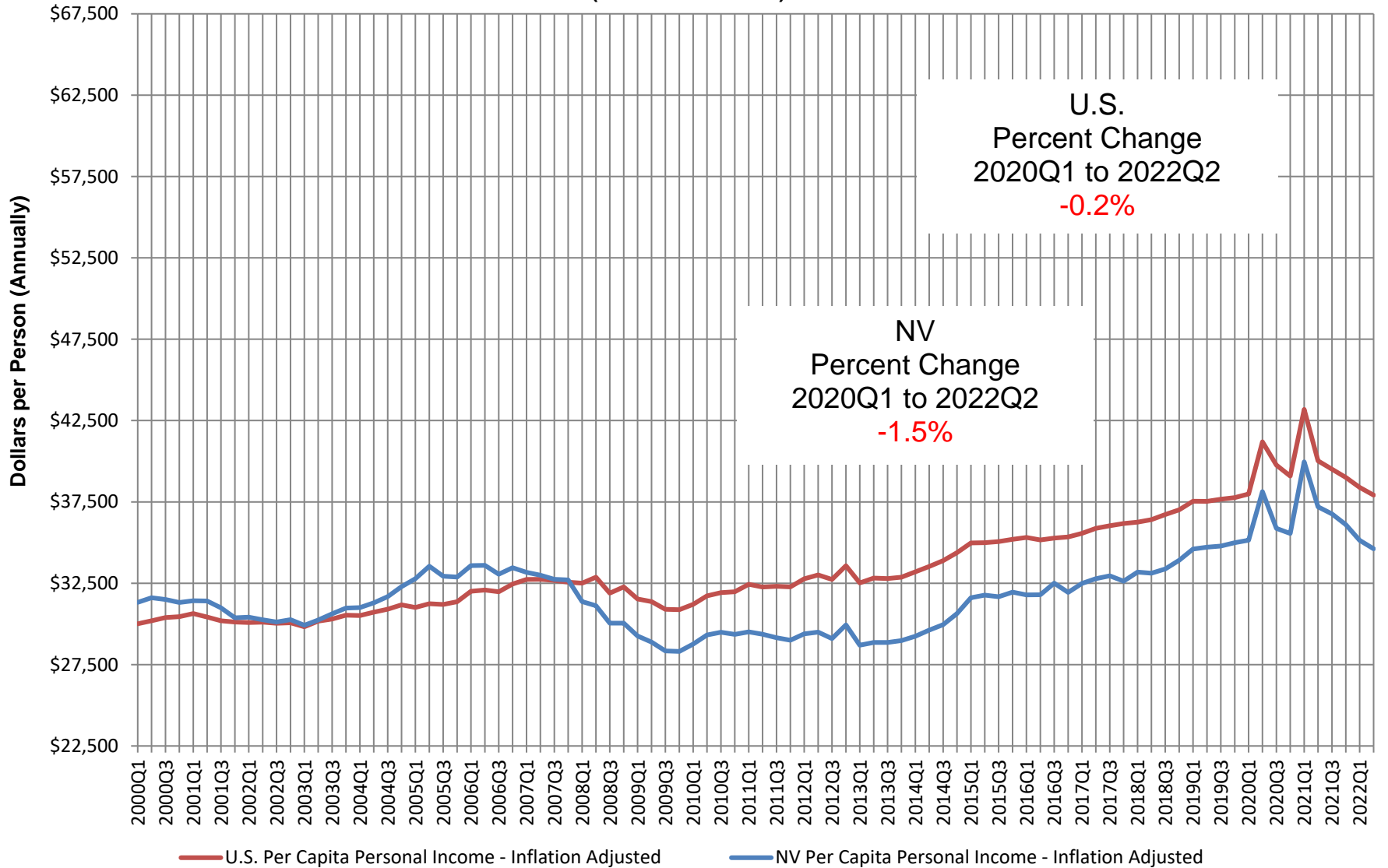
U.S. vs. Nevada Per Capita Personal Income 2000Q1 to 2022Q2

Source: Census Bureau and BEA (Seasonally Adjusted Annual Rates)



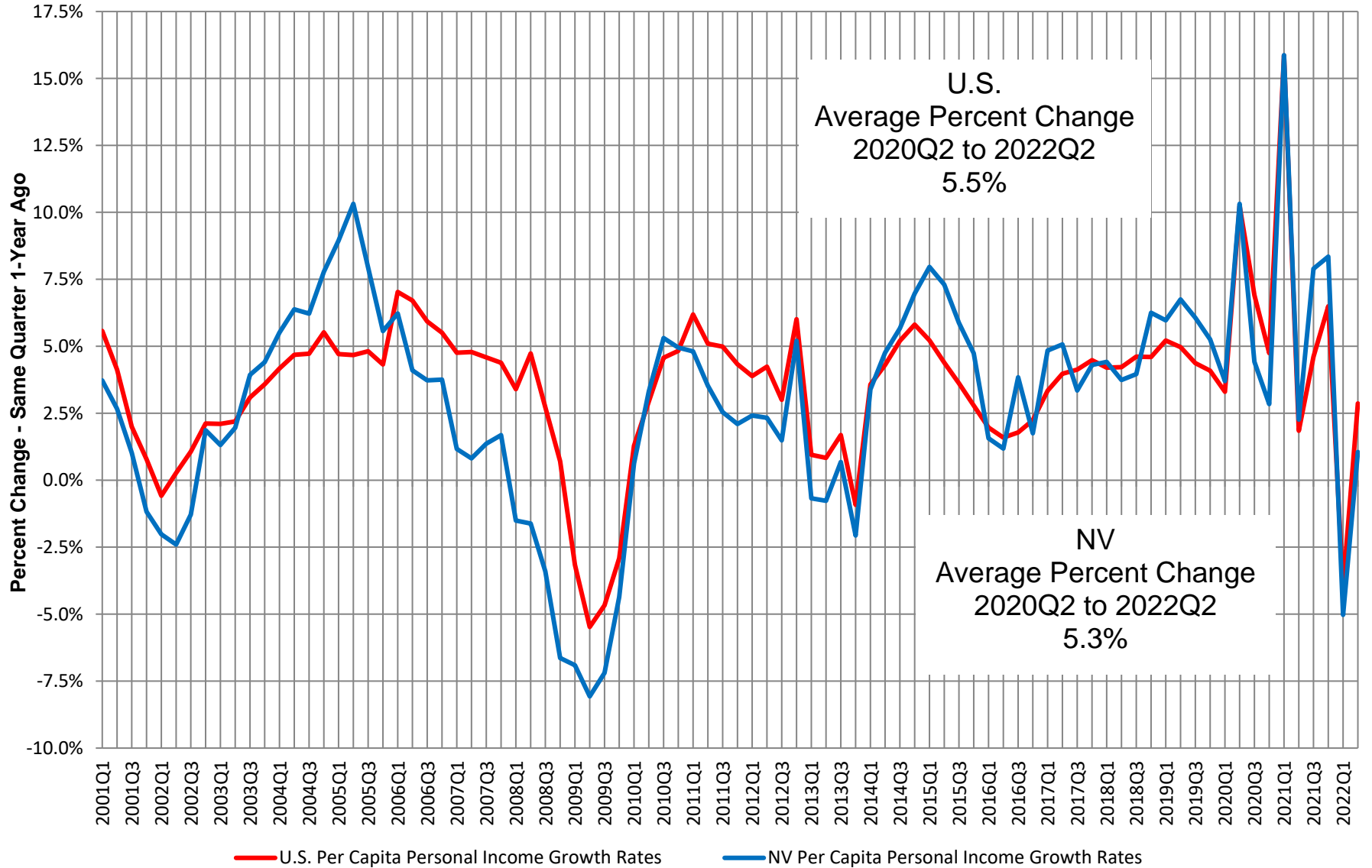
U.S. vs. Nevada Per Capita Personal Income (Inflation Adjusted) 2000Q1 to 2022Q2

Source: Census Bureau and BEA (Seasonally Adjusted Annual Rates)
(Index 2000Q1=100)



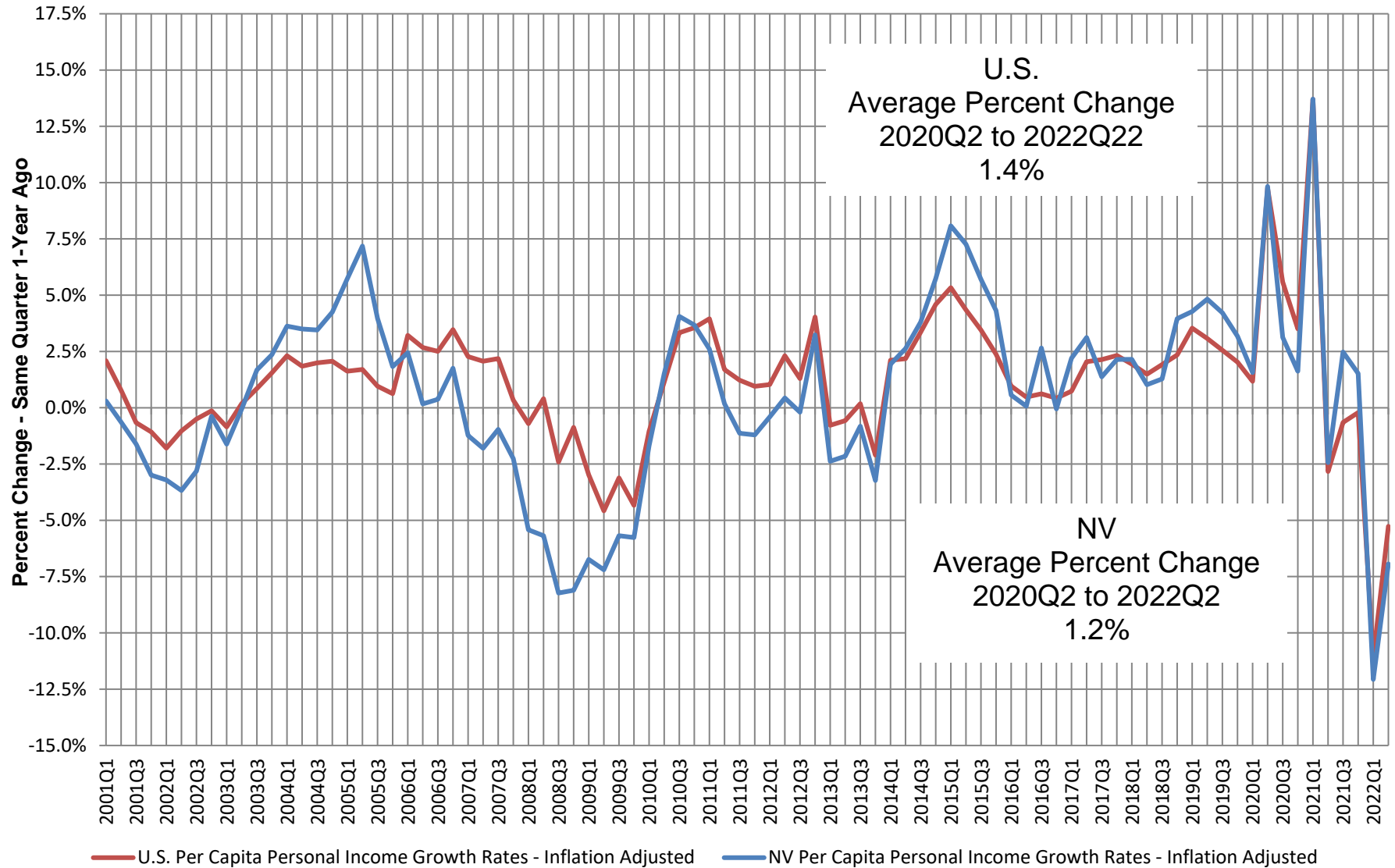
U.S. vs. Nevada Per Capita Personal Income Growth Rates 2001Q1 to 2022Q2

Source: Census Bureau and BEA



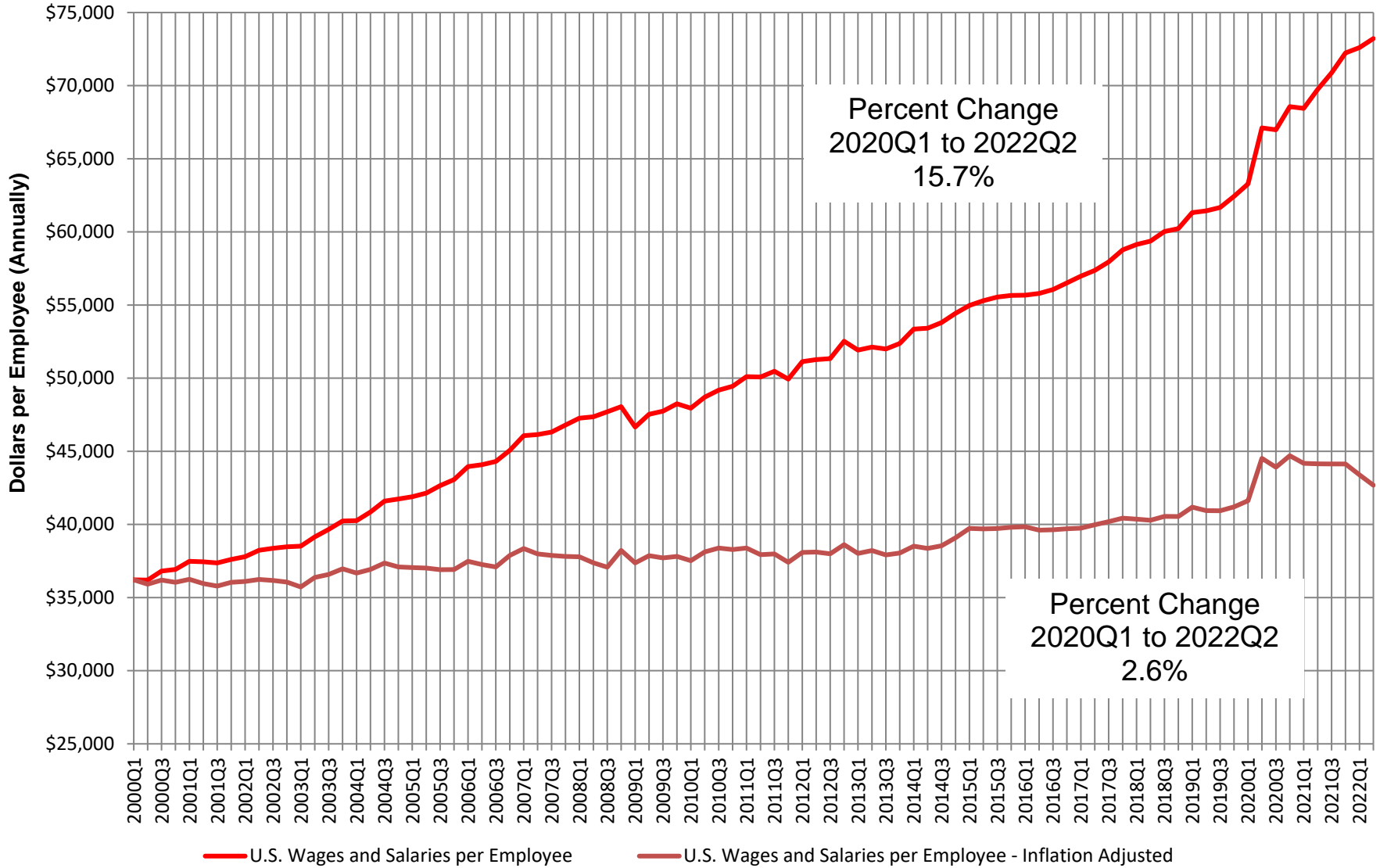
U.S. vs. Nevada Per Capita Personal Income Growth Rates (Inflation Adjusted) 2001Q1 to 2022Q2

Source: Census Bureau and BEA
(Index 2000Q1=100)



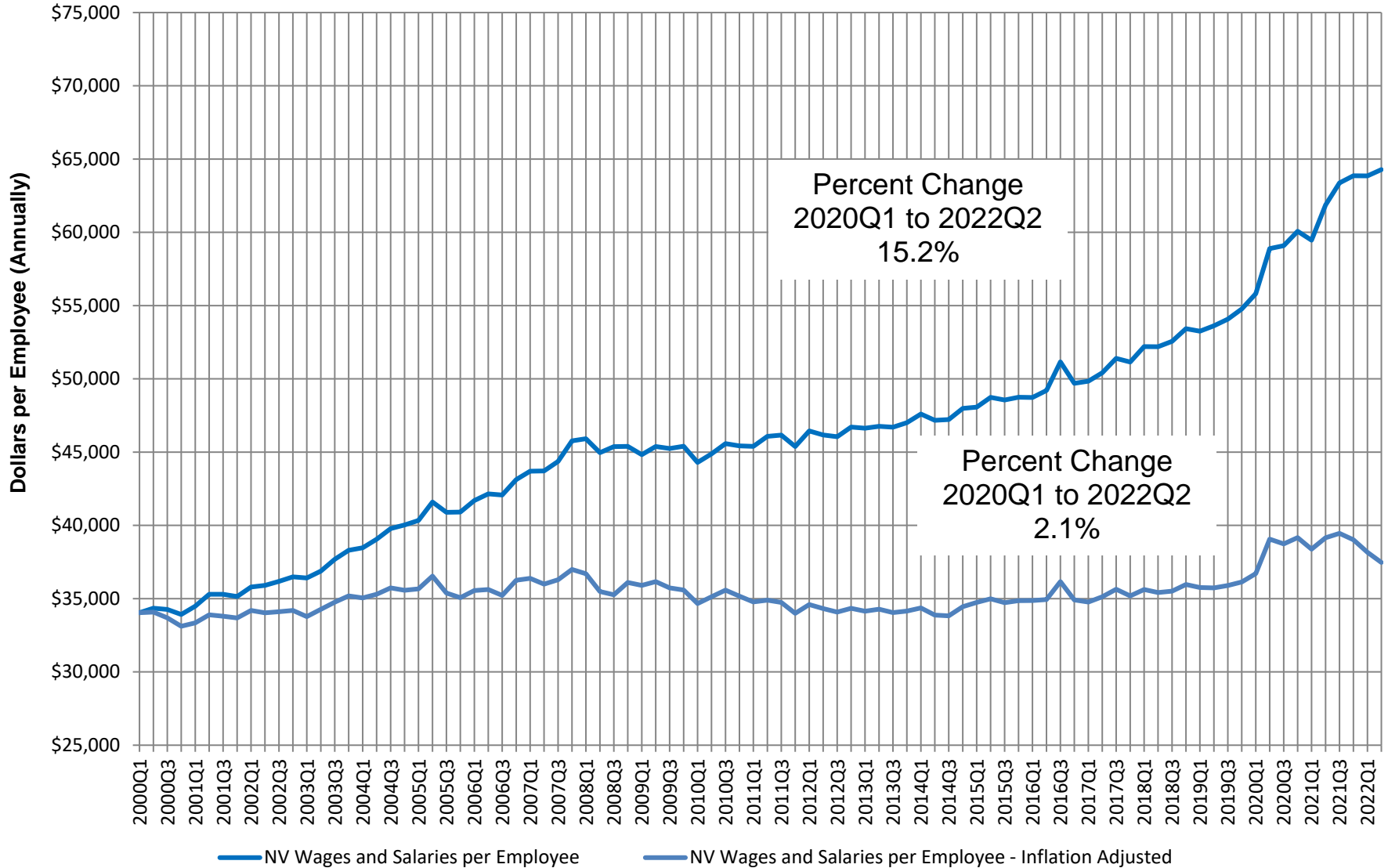
U.S. Wages and Salaries per Employee 2000Q1 to 2022Q2

Source: BLS and BEA (Seasonally Adjusted Annual Rates)
(Index 2000Q1=100)



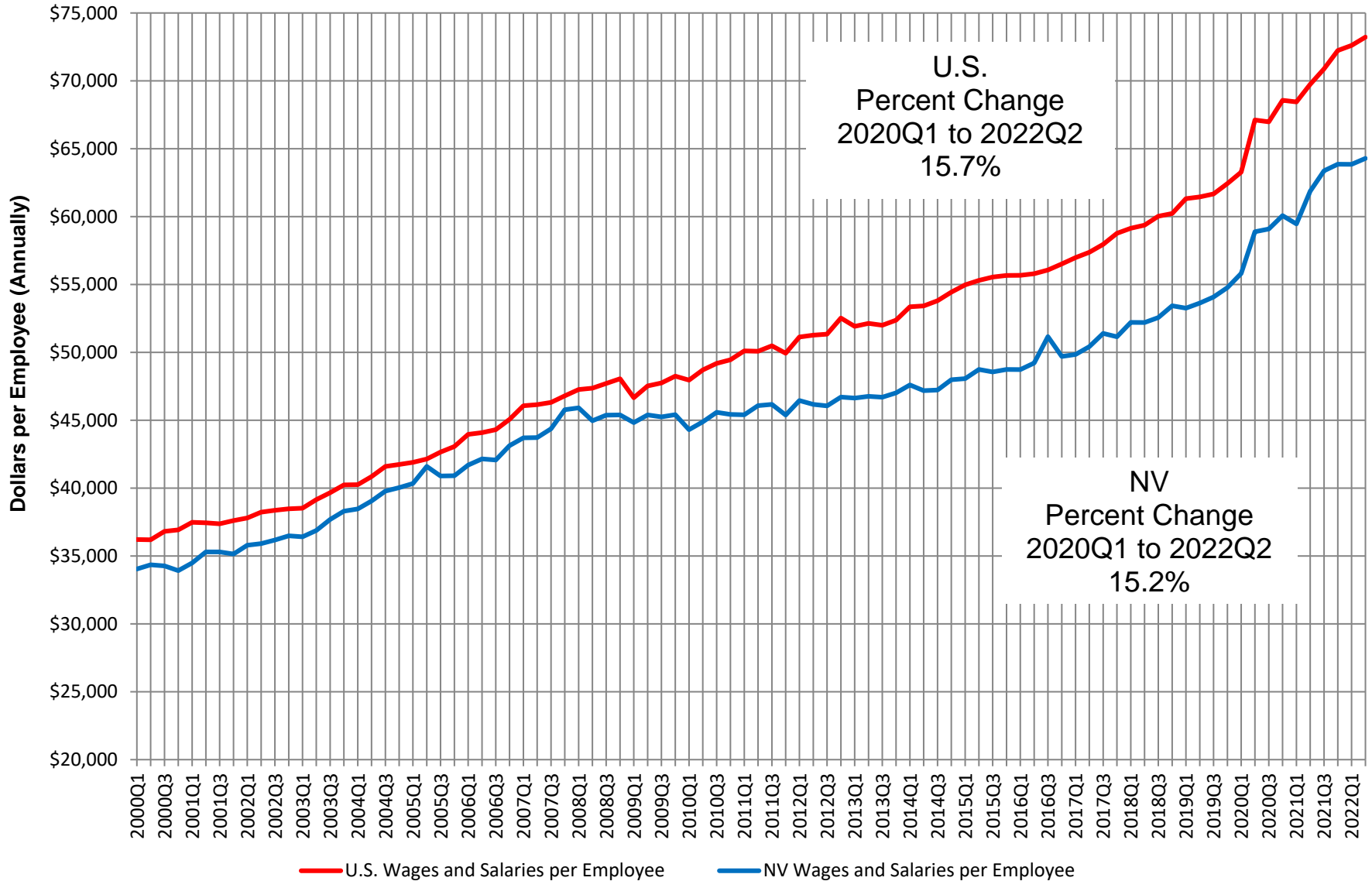
Nevada Wages and Salaries per Employee 2000Q1 to 2022Q2

Source: BLS and BEA (Seasonally Adjusted Annual Rates)
(Index 2000Q1=100)



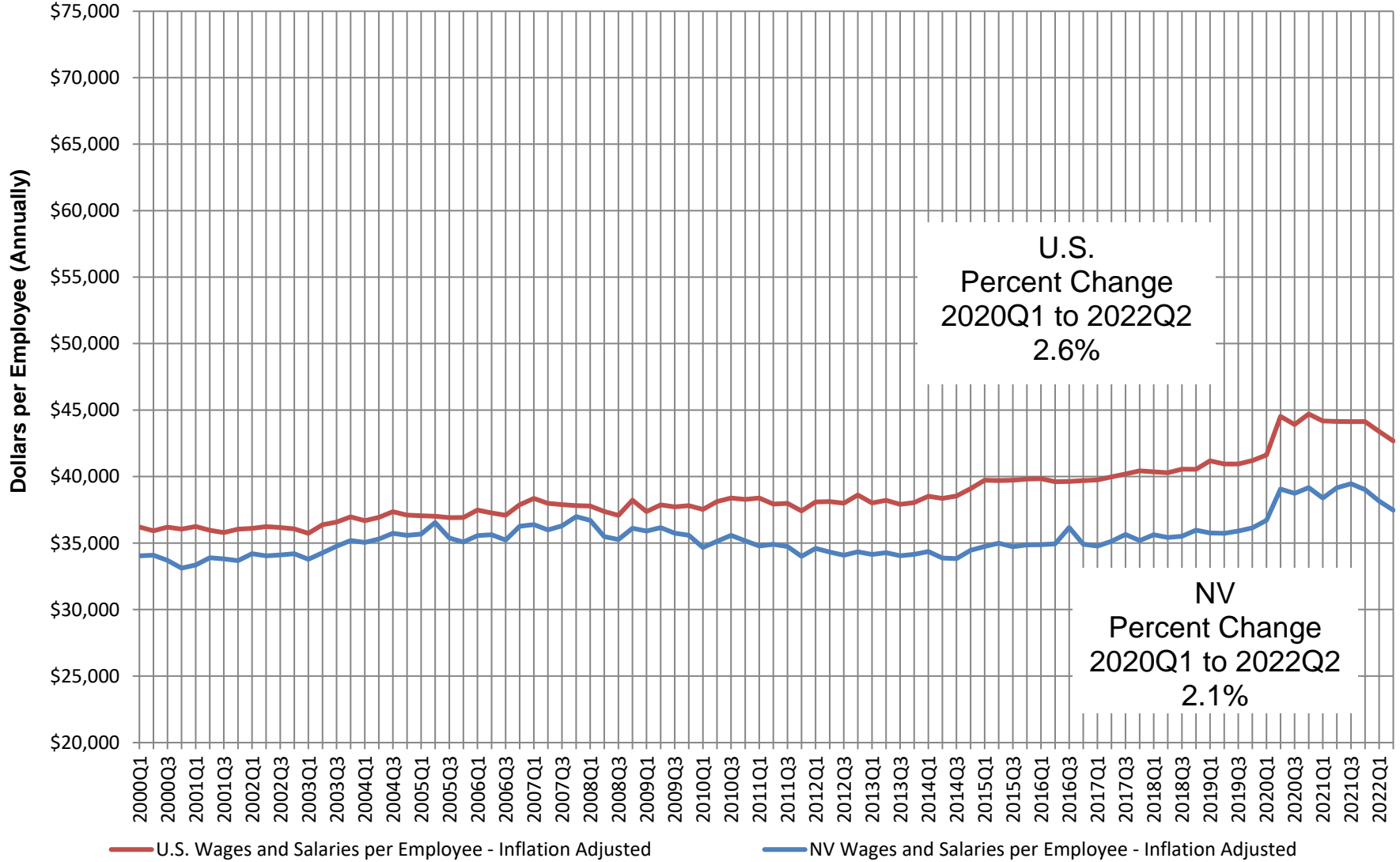
U.S. vs. Nevada Wages and Salaries per Employee 2000Q1 to 2022Q2

Source: BLS and BEA (Seasonally Adjusted Annual Rates)



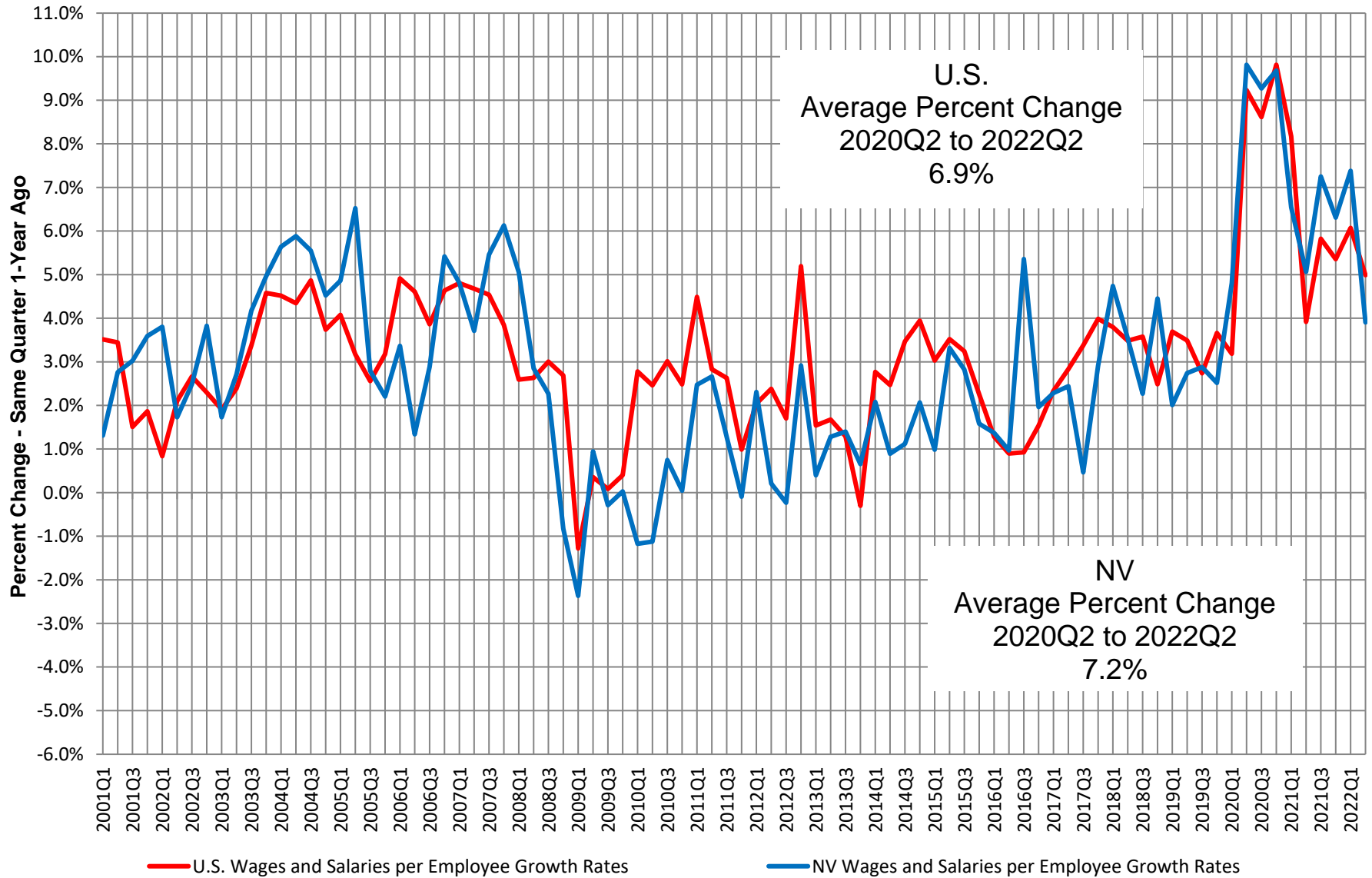
U.S. vs. Nevada Wages and Salaries per Employee (Inflation Adjusted) 2000Q1 to 2022Q2

Source: BLS and BEA (Seasonally Adjusted Annual Rates)
(Index 2000Q1=100)



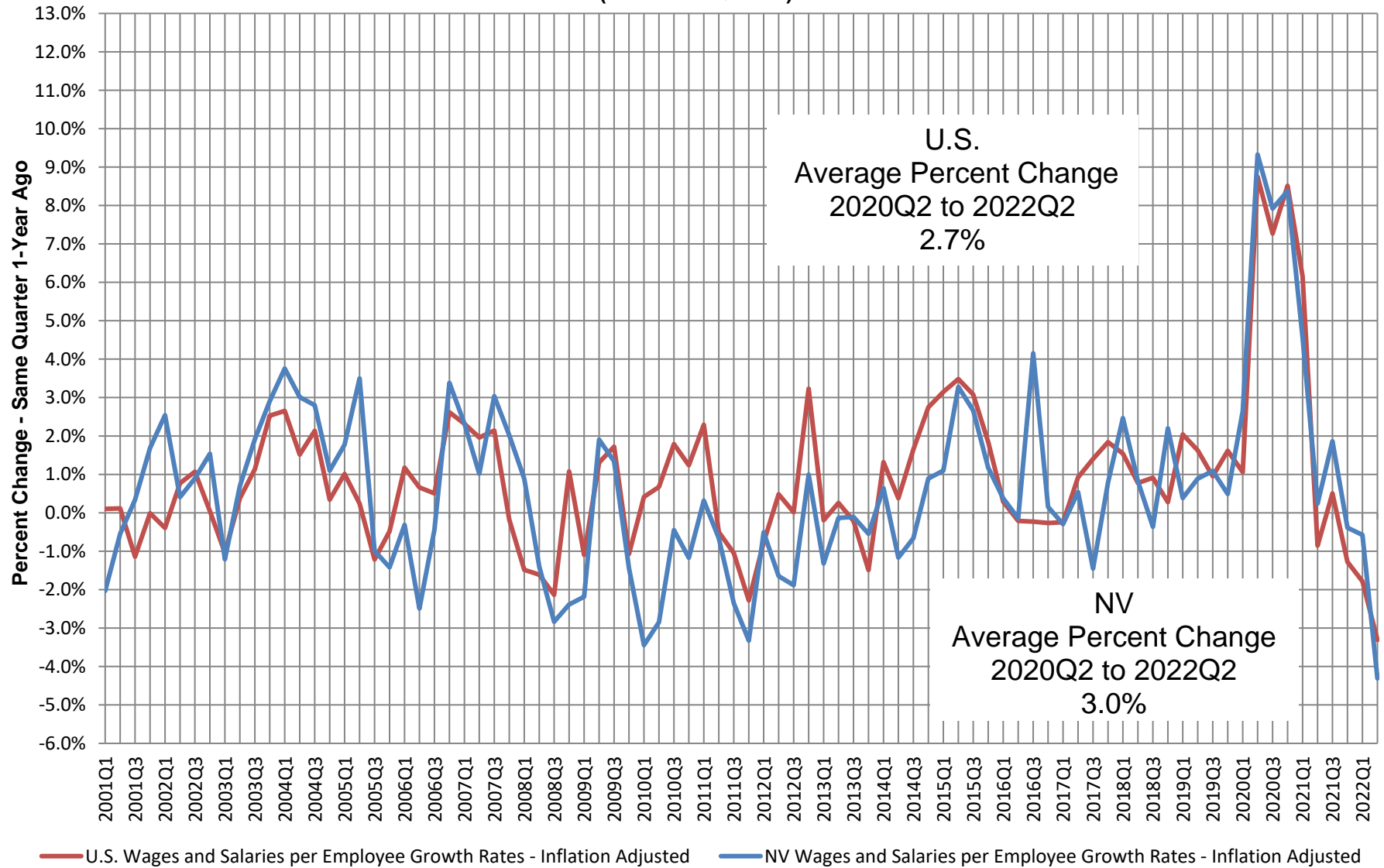
U.S. vs. Nevada Wages and Salaries Per Employee Growth Rates 2001Q1 to 2022Q2

Source: BLS and BEA



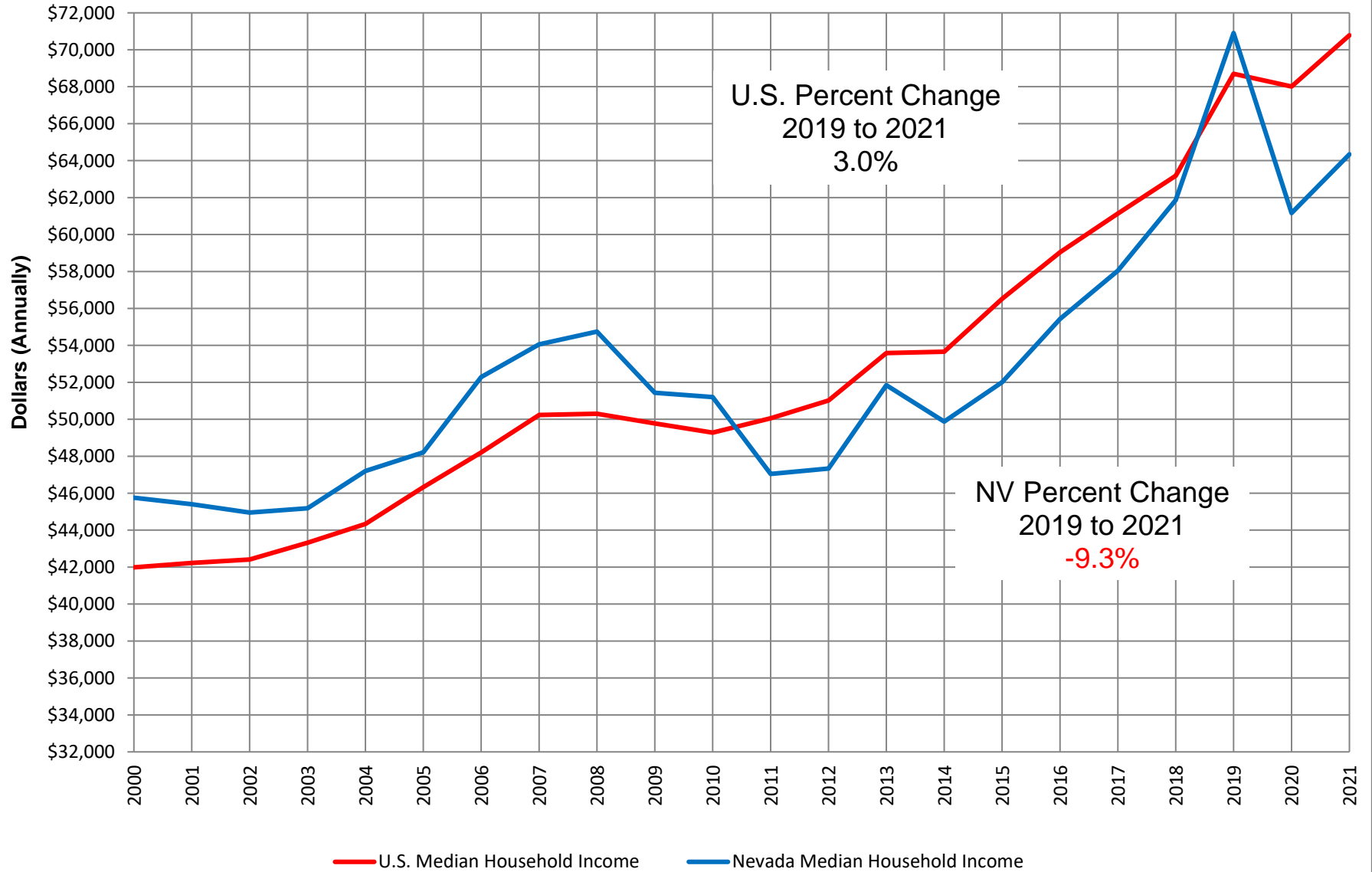
U.S. vs. Nevada Wages and Salaries Per Employee Growth Rates (Inflation Adjusted) 2001Q1 to 2022Q2

Source: BLS and BEA
(Index 2000Q1=100)



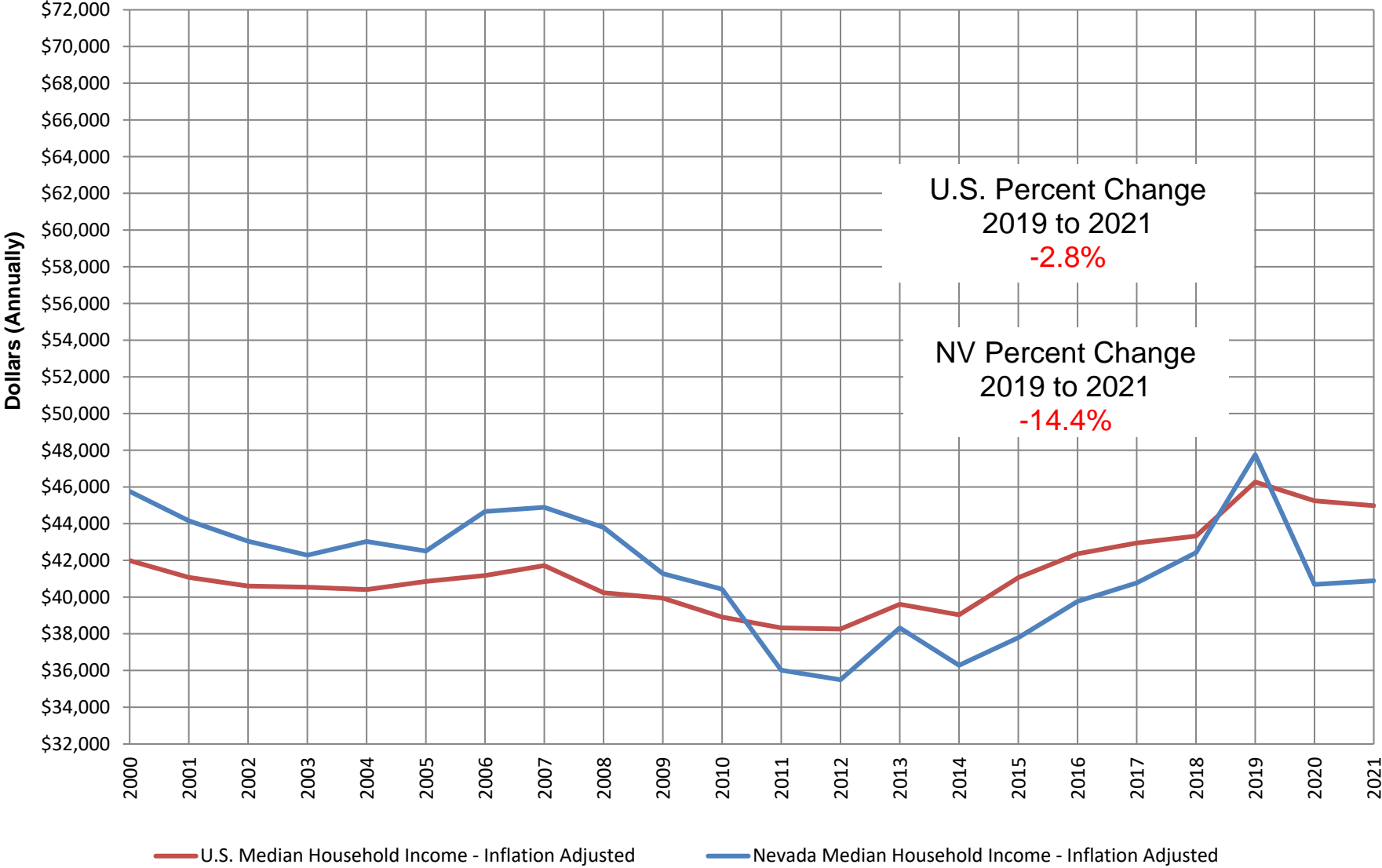
U.S. vs. Nevada Median Household Income 2000 to 2021

Source: Census Bureau



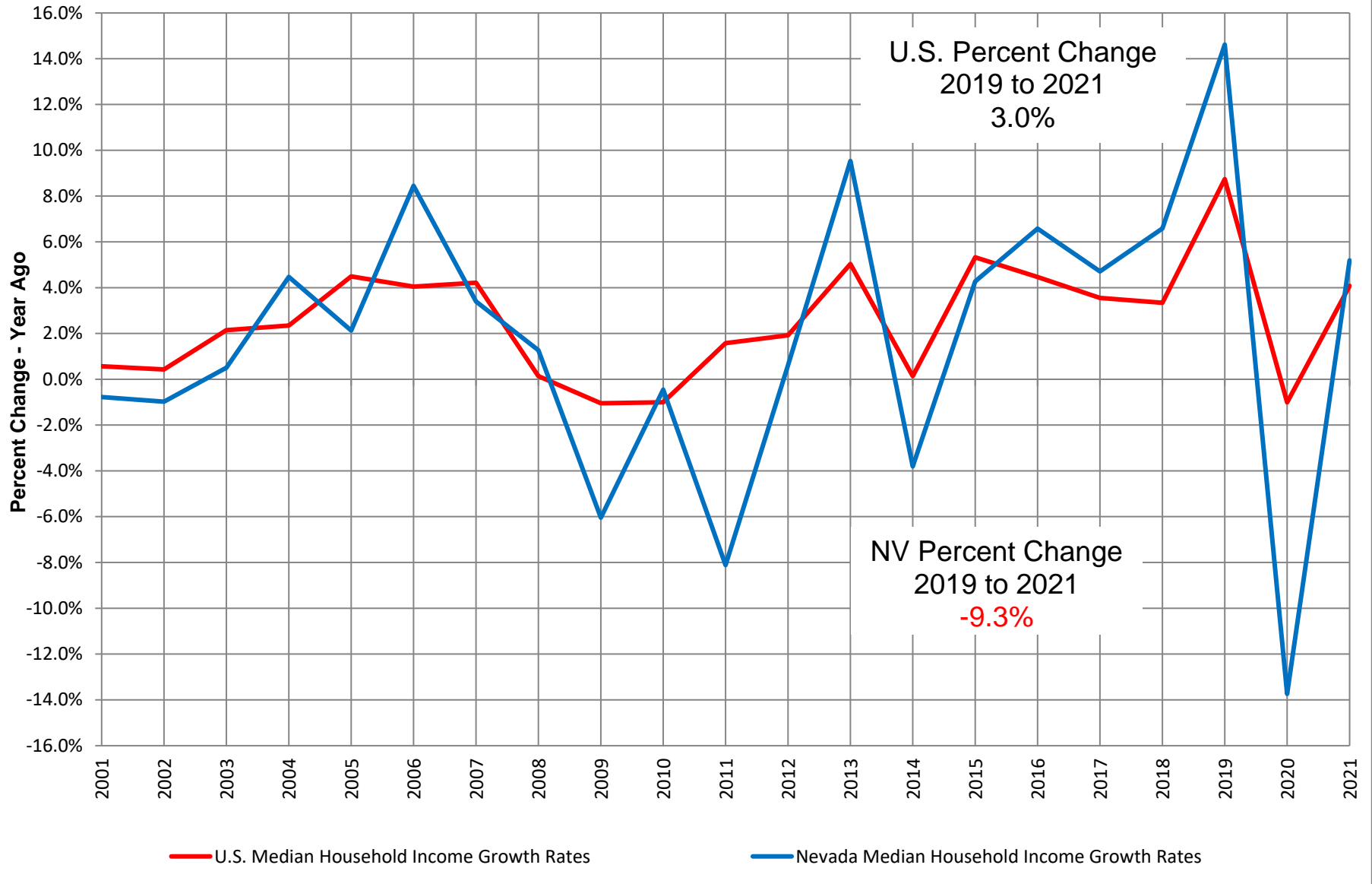
U.S. vs. Nevada Median Household Income (Inflation Adjusted) 2000 to 2021

Source: Census Bureau
(Index 2000=100)



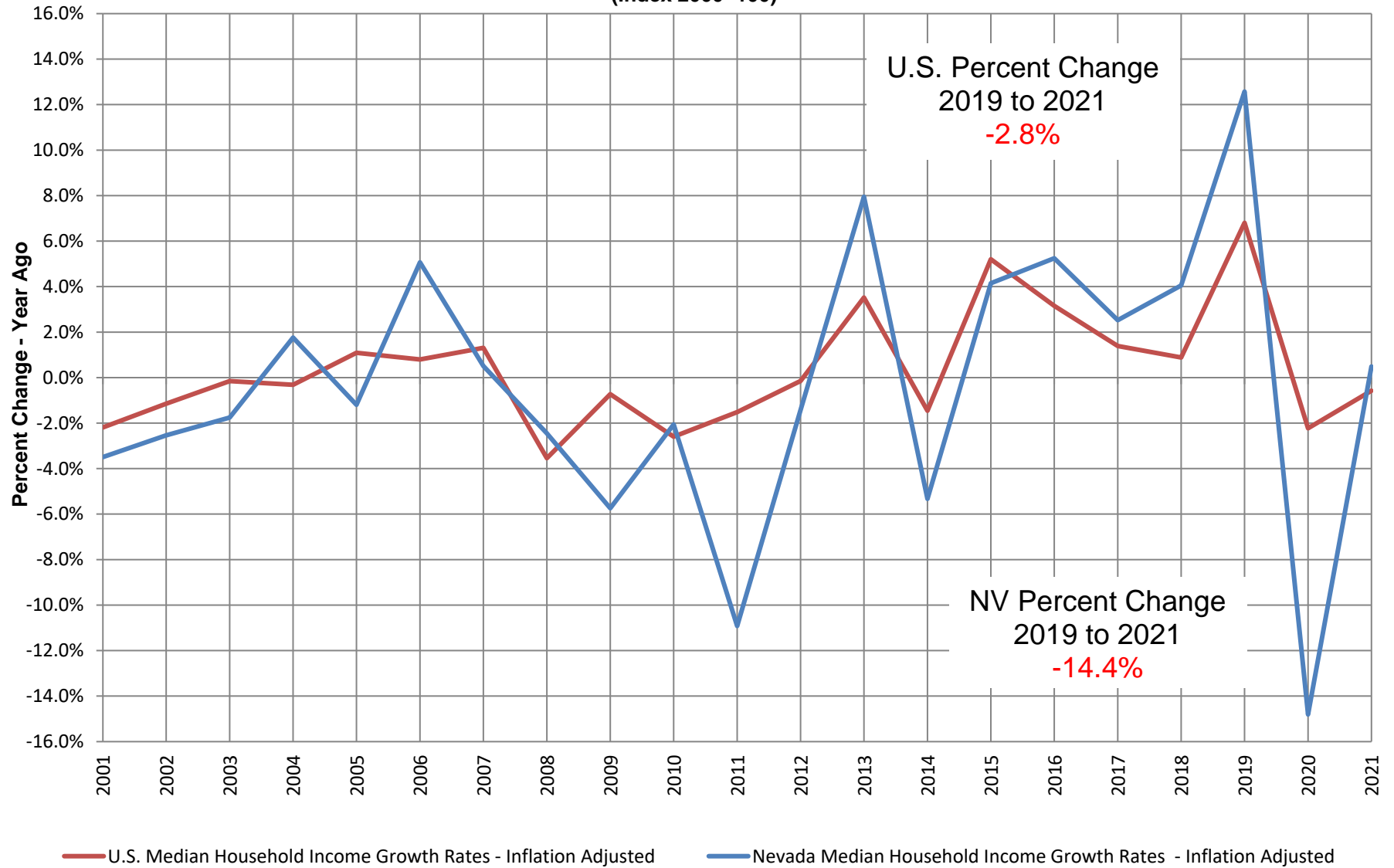
U.S. vs. Nevada Median Household Income Growth Rates 2001 to 2021

Source: Census Bureau

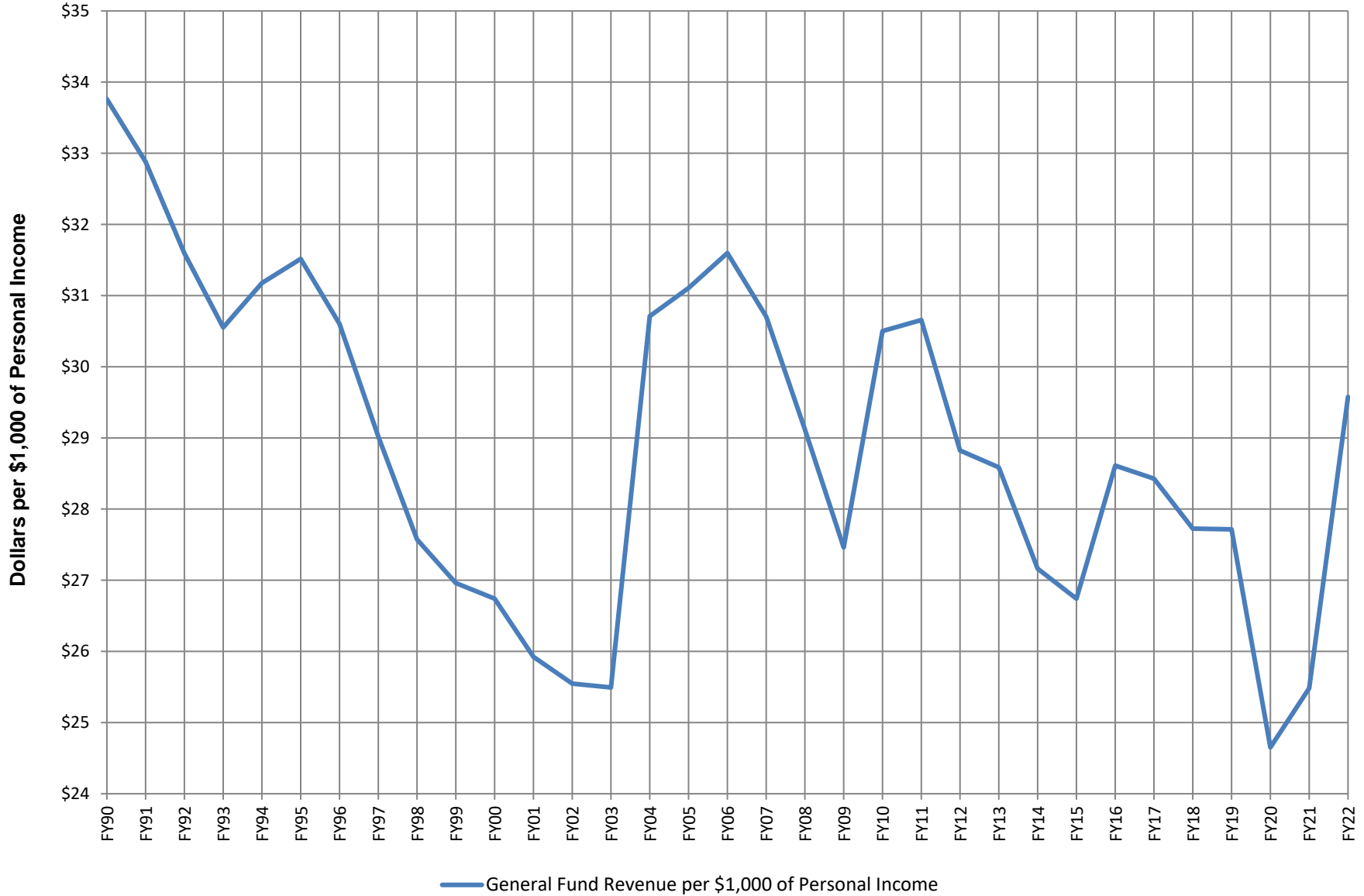


U.S. vs. Nevada Median Household Income Growth Rates (Inflation Adjusted) 2001 to 2021

Source: Census Bureau
(Index 2000=100)



Nevada General Fund Revenue per \$1,000 of Nevada Personal Income by Fiscal Year Actual: FY 1990 - FY 2022



Growth in Nevada General Fund Revenue versus Nevada Personal Income by Fiscal Year Actual: FY 1990 - FY 2022

