



# Fact Sheet

## PAYMENTS IN LIEU OF TAXES SUMMARY

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This fact sheet provides general information regarding the Payments in Lieu of Taxes (PILT) program administered by the Bureau of Land Management (BLM). The PILT program, which was created by the United States Congress in 1976 with the enactment of Public Law 94-565, makes payments to units of local government that are intended to offset the loss of tax revenue to these local governments caused by the presence of tax-exempted federal land within their boundaries.

### NEVADA ALLOTMENT

Nevada has received more than \$425 million in PILT since 1977. Congress appropriates funds for PILT payments each year. On or before September 30 of each year, the BLM computes and disburses these payments to the units of local government based on population, receipt sharing payments, and the amount of federally owned land in the affected county. The units of local government receiving these payments in Nevada are the 17 counties, and they may use the funds for any governmental purpose.

The first payment was made in October 1977, for Fiscal Year (FY) 1977. According to the BLM's PILT website (<http://www.doi.gov/pilt>), the national allocated amount for 2015 PILTs was \$439 million. In FY 2014, Nevada's counties received \$25.4 million, which was the most ever received by Nevada. In FY 2015, Nevada's counties received \$25.2 million, which was a slight decrease from the preceding year because part of the disbursement came from supplemental funding distributed in October, in addition to the regular disbursement in June, that was subject to the sequestration rate of -6.8 percent. Payments are distributed to approximately 1,850 local government units in 49 states, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands.

### POPULATION IMPACTS THE PILT PROGRAM

The irony of the PILT formula is that counties with the most federal land typically have the smallest populations. Because the formula is, in part, population-dependent, the counties with the highest percentage of federal land do not receive the greatest payments. In 2015, Nevada ranked second out of all the states, behind Alaska, in the number of acres of federal land; however, Nevada ranked tenth in the amount of PILT funding received. Nevada's counties received a combined \$25.2 million in PILT for the 56.7 million acres of federal land within the State for FY 2015. Alaska had 37.1 percent of all federal lands subject to PILT, yet the state received only 6.5 percent of the total PILT payments for FY 2015. On the other hand,

California ranked first in payments, receiving 10.4 percent of the total PILT payments made, but ranked third with 7.2 percent of the total federal lands subject to PILT payments in FY 2015.

Attached to this fact sheet is a table that includes FY 2015 data such as the: (1) total number of acres of federal land within each state, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands; (2) corresponding PILT payments; (3) percentage of total acres by state; and (4) percentage of total PILT payments. The total number of federal acres in FY 2015, according to the BLM's PILT website was 607,039,201 acres. The total payments distributed in FY 2015 was \$439,084,000.

## **THE PILT PROGRAM NOT FULLY FUNDED UNTIL 2008**

From the inception of the PILT program, payments have been made consistently, but the money appropriated by Congress was historically insufficient to provide full payments under the PILT formula. Several states and organizations passed resolutions urging Congress to increase funding of PILT, including the State of Nevada, the Legislative Committee on Public Lands, the Council of State Governments-*WEST* (CSG-*WEST*), and the National Association of Counties. The Action Plan for Public Lands and Education (APPLE) Initiative was an effort organized by CSG-*WEST* to build a western states coalition to petition Congress to compensate western states accordingly. There were several unsuccessful efforts in Congress to require full funding of PILT. On October 3, 2008, Congress enacted the Emergency Economic Stabilization Act of 2008 (Public Law 110-343), which authorized counties to receive their full PILT entitlement from 2008 through 2012. Nevada counties received a combined \$22.6 million in PILT payments in FY 2008, a 63 percent increase from FY 2007.

Fiscal Year 2012 for the PILT program was the last to be funded under the Emergency Economic Stabilization Act of 2008. The Budget Control Act of 2011, which was signed by President Barack Obama in August 2011, raised the debt ceiling and applied pressure on Congress to create a long-term plan for deficit reduction by imposing a set of automatic spending cuts, commonly referred to as sequestration or sequester cuts. These spending cuts became effective in March 2013.

## **CONCLUDING COMMENTS**

The University Center for Economic Development (UCED) at the University of Nevada, Reno, has produced studies of federal land-based payments in Nevada including Technical Report UCED 95-14 titled, *Time Series Synopsis of Federal Land-Based Payments in Nevada*. Technical studies published by the UCED can be obtained by visiting the Center's website at: <http://www.cabnr.unr.edu/uced>.

**ATTACHMENT**

<b>Payments in Lieu of Taxes Data for Fiscal Year (FY) 2015</b>				
<b>State</b>	<b>FY 2015 ACRES</b>	<b>FY 2015 PAYMENT</b>	<b>Percent of Total Acres</b>	<b>Percent of Total Payments</b>
Alabama	799,974	1,131,049	0.1	0.3
Alaska	225,417,424	28,482,595	37.1	6.5
Arizona	28,152,865	34,413,828	4.6	7.8
Arkansas	3,251,449	6,350,722	0.5	1.4
California	43,805,272	45,793,923	7.2	10.4
Colorado	23,693,111	33,583,582	3.9	7.6
Connecticut	12,169	30,521	0.0	0.0
Delaware	8,523	77,946	0.0	0.0
District of Columbia	6,980	17,946	0.0	0.0
Florida	2,545,951	5,271,756	0.4	1.2
Georgia	1,277,512	2,512,499	0.2	0.6
Guam	932	2,375	0.0	0.0
Hawaii	135,457	345,119	0.0	0.1
Idaho	32,619,832	28,609,614	5.4	6.5
Illinois	490,357	1,189,351	0.1	0.3
Indiana	318,346	564,001	0.1	0.1
Iowa	190,658	485,690	0.0	0.1
Kansas	549,771	1,171,638	0.1	0.3
Kentucky	1,258,782	2,146,228	0.2	0.5
Louisiana	759,874	1,074,521	0.1	0.2
Maine	119,795	313,804	0.0	0.1
Maryland	42,370	106,398	0.0	0.0
Massachusetts	39,758	111,640	0.0	0.0
Michigan	2,166,797	4,646,379	0.4	1.1
Minnesota	2,906,929	2,181,150	0.5	0.5
Mississippi	1,645,961	1,833,943	0.3	0.4
Missouri	2,080,162	3,695,781	0.3	0.8
Montana	27,387,988	29,259,009	4.5	6.7
Nebraska	519,729	1,062,481	0.1	0.2
Nevada	56,749,362	25,244,861	9.3	5.7
New Hampshire	774,613	1,885,851	0.1	0.4
New Jersey	40,456	103,186	0.0	0.0
New Mexico	22,470,290	37,466,124	3.7	8.5
New York	60,154	159,770	0.0	0.0
North Carolina	1,698,268	4,233,041	0.3	1.0
North Dakota	1,819,886	1,523,807	0.3	0.3
Ohio	363,707	655,758	0.1	0.1
Oklahoma	1,491,421	3,053,052	0.2	0.7
Oregon	31,411,726	17,716,801	5.2	4.0
Pennsylvania	659,460	984,917	0.1	0.2
Puerto Rico	26,508	9,538	0.0	0.0
Rhode Island	6	0	0.0	0.0
South Carolina	780,227	598,646	0.1	0.1
South Dakota	2,785,658	6,203,105	0.5	1.4
Tennessee	1,261,595	2,140,169	0.2	0.5
Texas	2,644,534	5,095,121	0.4	1.2
Utah	32,925,228	37,619,551	5.4	8.6
Vermont	416,318	1,009,992	0.1	0.2
Virgin Islands	14,017	35,713	0.0	0.0
Virginia	2,047,853	3,740,282	0.3	0.9
Washington	11,957,281	19,509,154	2.0	4.4
West Virginia	1,248,585	3,082,021	0.2	0.7
Wisconsin	1,350,016	3,376,781	0.2	0.8
Wyoming	29,837,304	27,171,270	4.9	6.2
<b>Total</b>	<b>607,039,201</b>	<b>439,084,000</b>	<b>100.0</b>	<b>100.0</b>

Source: October 2015 Addendum (<https://www.doi.gov/pilt/resources/annual-reports>), U.S. Department of the Interior, October 2015.