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**MEMORANDUM**

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**DATE:** September 11, 2014

**TO:** Members of the 28th Special Session of the Legislature

**FROM:** Michael Nakamoto, Deputy Fiscal Analyst   
Fiscal Analysis Division

**SUBJECT:** **Fiscal Note for Senate Bill 1 – Additional Responses**

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Subsequent to the issuance of the fiscal note on Senate Bill 1, the following fiscal impact statements were submitted to the Fiscal Analysis Division:

**LOCAL GOVERNMENT RESPONSES**

**Clark County**

- As to the current project up North, it does not appear Clark County will be negatively impacted financially.
- Clark County has concerns with regard to current / (unknown) future projects receiving property tax and sales tax abatements for projects built in Clark County:
  - Given the history with the building of mega resorts, there is definitely the potential of projects being built in Clark County that may fall within the parameters of the SB threshold of \$3.5 Billion investment. We are concerned/unsure of what the impacts will be:
    - Retroactive implementation of current projects (specifically the Genting project at the site of the old Stardust) would

- have a significant impact on revenues yet to be received or already received and spent that may need to be refunded.
- There will be a significant fiscal impact with regard to property tax abatements as Clark County currently receives 46% of the overlapping tax rate for general operating, police and fire services and the Clark County School District receives approx. 44% of the overlapping rate. Abatements will reduce the amount of property tax dollars received by Clark County and the Clark County School District.
  - There will be a significant fiscal impact for sales tax abatements. Clark County's portion of the Consolidated Tax (CTX) formula is approx. 52%. Sales tax abatements will reduce the amount of CTX dollars received by Clark County.
- Another concern with SB1 is that projects in incorporated cities within Clark County may approve projects without the Board of County Commissioner approval. Because of the overlapping jurisdictional relationship of the County with the incorporated cities, there will be an impact on revenues received by the County. Specifically, there will be an impact on:
- Property Taxes (Countywide rate)
  - Calculation of sales tax through the Consolidated Tax formula where percentage to County may be decreased

Nevada Association of Counties (on behalf of its member counties)

While SB 1 would have a fiscal impact on a county that hosts a qualified project, the amount of any impact cannot be quantified at this time.

Jeff Fontaine, Executive Director

cc: Rick Combs, Director, Legislative Counsel Bureau  
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