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Wayne Thorley, *Fiscal Analyst*

MEMORANDUM

DATE: June 7, 2023

TO: Members of the 35th Special Session of the Legislature

FROM: Michael Nakamoto, Chief Principal Deputy Fiscal Analyst
Fiscal Analysis Division

SUBJECT: Fiscal Note for Senate Bill 1 – Department of Taxation

Pursuant to NRS 218D.430, the Department of Taxation has submitted the following fiscal note to the Fiscal Analysis Division on Senate Bill 1 of the 35th Special Session.

Senate Bill 1 of the 35th Special Session, which enacts the Southern Nevada Tourism Innovation Act, will create minimal programming costs to the Department. The Department will revise certain tax returns and create separate returns for certain tax types identified in the Act to capture the taxes required to be distributed to the Sports and Entertainment Improvement District. The Department already administers and distributes sales and use taxes to tourism improvement districts (“TIDs”), and the Department’s process for administering the provisions of this Act would align with its existing practices for TIDs.

The Department will also monitor and apply the transferrable tax credits set forth in this legislation that are approved by the Stadium Authority. The Department currently administers other tax credits that are approved by various entities, such as the Governor’s Office Economic Development, the Department of Education, and Department of Business and Industry. As the Department currently administers these tax credits, it can absorb those created by this Act.

Accordingly, any costs to the Department can be absorbed and there is no fiscal impact to the Department.

The Department is unable to determine the revenue impact.

Shellie Hughes, Executive Director

cc: Brenda Erdoes, Director, Legislative Counsel Bureau
Bryan Fernley, Legislative Counsel
Wayne Thorley, Senate Fiscal Analyst
Sarah Coffman, Assembly Fiscal Analyst