

11

**Assembly**  
MINUTES - JOINT MEETING WAYS AND MEANS AND TAXATION COMMITTEE  
NEVADA STATE LEGISLATURE - 56th SESSION - JAN. 25, 1971

Meeting called to order by Chairman R. Young at 3:25 PM  
in the Ways and Means Room.

Present Ways and Means: R. Young, Howard, Capurro, Hafen,  
F. Young, Brookman, Mello, Schofield, Swackhamer.

Absent: None.

Present Taxation: Kean, Getto, Lingenfelter, May, Smalley,  
Swallow, Capurro.

Absent: Glaser, Ashworth

Also present: Howard Barrett, John Dolan, Earl Oliver, Joe Digilis,  
George Frank.

Chairman Young introduced Mr. Barrett, Budget Director, who explained the revenues, disbursements, reversions, and supplementals to the Committee members and showed cash balances at end of each fiscal year as follows: June 30, 1971-\$6,051,012; June 30, 1972-\$7,918,653; June 30, 1973-\$7,919,691. He stated that in the second year biennium there would be a \$400,000 amount that would be unspent from the previous year. This comes from monies that revert back as some budgets are over estimated.

Mr. Dolan remarked 6% ADA \$121,000. We are going to a \$117,000 base next biennium which will be a 3.4% increase from base in 1970 and 1971. The budget projected for 1970 and 1971 was \$121,000. This is where the reversion is. Mr. Barrett mentioned that we can't project the supplementals. Mr. Swackhamer asked Mr. Barrett for clarification of the Hot Lunch subject under the One Shot Items. Mr. Barrett replied that the Hot Lunch money comes from federal funds and is also partially supported by the pupils. Mr. Barrett mentioned that \$4,000,000 could be used for equipment, busses, making improvements in classrooms, etc. Mr. Kean thought it would be more realistic to include the cost of legislation in 1973. Mr. Mello asked Mr. Barrett about the 4,000 ADA estimate. Mr. Barrett replied that they got the figure from the Department of Education.

A5, Analysis of Sales Tax was discussed by Mr. Barrett. The 1/2¢ that goes into county sales tax is wrong. 1969 - \$33,312,269 is a 17.5% increase. 1970-1971 we have a 4.5% increase to date. We estimate a 5 1/2% increase. These estimates are either high or low. We feel that these figures are a reasonable estimate of what will happen.

Mr. Kean asked the Taxation Committee to pay particular attention to the General Tax Fund. He explained to the

Committee that they have a repeal measure on the  $\frac{1}{2}$ ¢ sales tax which is now in the court.

Mr. Lingenfelter asked Mr. Barrett what his base was for a 10% drop in revenues. Mr. Barrett explained that part of the increase in the past was due to the opening of casinos. He stated that a good deal of business in Las Vegas is tied to Los Angeles. He pointed out that we must be conservative in projecting increases in revenue taxes. Mr. Barrett predicts a reduction in the rate of increase.

A10, Real Estate Transfer Tax - Casino Entertainment Tax - averages out to an 8% increase and 5% increase in the next two years. This is due to: no planned expansion of show rooms; some inflation, and the State's share will go up.

Mr. Barrett discussed the Planning Board budget and recommendations of the Governor on capital construction.

Mr. Kean stated that the rest of the meeting didn't involve the Taxation Committee, and they were excused.

Meeting adjourned at 4:15PM.