

THE STATE OF NEVADA ECONOMIC FORUM

Deborah Pierce, Chairwoman
William Martin, Vice Chairman
Cary Fisher
Leo Seevers
Michael Small



May 1, 2007

Members of the 74th Legislature
Legislative Building
Capitol Complex
Carson City, Nevada 89701-4747

Dear Nevada Legislature:

Enclosed is the Economic Forum's report on future state revenues prepared pursuant to Nevada Revised Statute 353.228. This report, which must be presented by May 1, 2007, revises the forecast prepared by the Economic Forum on November 30, 2006. The enclosed report includes a summary schedule of state General Fund revenues and shows the net difference between the November 30, 2006, forecast and the May 1, 2007, forecast.

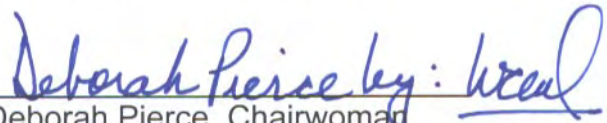
The Economic Forum reexamined its forecast from November 30, 2006, in light of changes in the national, regional, and state economies and actual revenue collection activity in the various accounts over the last five months. In addition, the Forum asked for and received revised forecasts based on the current economic outlook and fiscal year-to-date collections. All the information presented was carefully weighed by the Forum to produce this final projection.

The growth assumptions that were used in the November 30, 2006, forecast for the insurance premium tax, real property transfer tax, and cigarette tax were not changed. The forecasts for sales tax, gaming percentage fee tax, and modified business tax were revised downward from the November 30, 2006, forecast, based on current information and the forecasts presented to the Economic Forum. Also, there was a net downward revision to the minor General Fund revenue forecasts presented to the Economic Forum as prepared by the Technical Advisory Committee.

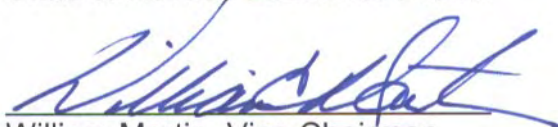
The net result of the May 1, 2007, revision is a reduction from the November 30, 2006, forecast in General Fund revenues of \$21,224,352 in fiscal year 2006-07, a reduction of \$40,066,552 in fiscal year 2007-08 and a reduction of \$48,185,152 in fiscal year 2008-09. The total amount projected is \$3,147,420,427 for fiscal year 2006-07, \$3,305,303,016 for fiscal year 2007-08 and \$3,530,660,287 for fiscal year 2008-09.

The Economic Forum submits this forecast based on the latest and best information available to it, and it is our best estimate of the state General Fund revenues for fiscal years 2007-08 and 2008-09. All forecasts have been made on the basis of existing law, and no assumptions are included for any proposed law changes.

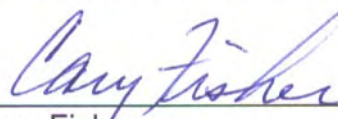
Respectfully submitted,



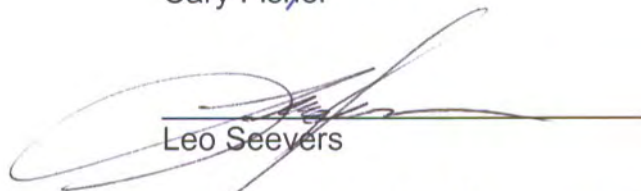
Deborah Pierce, Chairwoman
State of Nevada Economic Forum



William Martin, Vice Chairman



Cary Fisher



Leo Seevers



Michael Small

GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2007 FORECAST
ACTUAL: FY 2003 THROUGH FY 2006 AND FORECAST: FY 2007 THROUGH FY 2009
ECONOMIC FORUM'S FORECAST FOR FY 2007, FY 2008, AND FY 2009 APPROVED AT THE MAY 1, 2007 MEETING

DESCRIPTION	FY 2003		FY 2004		FY 2005		FY 2006		MAY 1, 2007 ECONOMIC FORUM FORECAST					
	ACTUAL	% Change	ACTUAL	% Change	ACTUAL	% Change	ACTUAL [a.]	% Change	FY 2007	% Change	FY 2008	% Change	FY 2009	% Change
TAXES														
TOTAL MINING TAXES	\$10,641,100	13.0%	\$16,817,927	58.0%	\$16,449,304	-2.2%	\$19,661,886	19.5%	\$21,873,000	11.2%	\$22,873,000	4.6%	\$22,789,000	-0.4%
TOTAL SALES AND USE TAX [1-FY04][1-FY07]	\$693,528,823	5.9%	\$790,602,667	14.0%	\$913,895,384	15.6%	\$1,005,054,248	10.0%	\$1,030,590,000	2.5%	\$1,087,492,000	5.5%	\$1,163,616,000	7.0%
TOTAL GAMING TAXES [2-FY04][3-FY04][1-FY06][1-FY08]	\$596,260,210	1.1%	\$714,653,673	19.9%	\$749,655,622	4.9%	\$838,094,296	11.8%	\$859,542,950	2.6%	\$902,144,500	5.0%	\$971,427,000	7.7%
CASINO/LIVE ENTERTAINMENT TAX [4a&4b-FY04][2-FY06][2-FY08]	\$70,212,815	8.3%	\$89,201,827	27.0%	\$107,884,337	20.9%	\$117,109,288	8.6%	\$129,091,000	10.2%	\$139,363,000	8.0%	\$153,044,000	9.8%
INSURANCE PREMIUM TAX	\$174,133,841	11.2%	\$194,457,058	11.7%	\$215,948,970	11.1%	\$238,627,989	10.5%	\$262,611,900	10.1%	\$291,014,000	10.8%	\$320,546,900	10.1%
LIQUOR TAX [5-FY04]	\$16,531,358	3.3%	\$33,025,941	99.8%	\$35,490,874	7.5%	\$37,347,240	5.2%	\$39,028,000	4.5%	\$40,589,000	4.0%	\$41,807,000	3.0%
CIGARETTE TAX [6-FY04]	\$44,019,969	5.2%	\$106,770,729	142.6%	\$113,282,664	6.1%	\$114,693,245	1.2%	\$115,200,000	0.4%	\$115,700,000	0.4%	\$116,200,000	0.4%
OTHER TOBACCO TAX [7-FY04]	\$5,916,301	6.4%	\$6,927,276	17.1%	\$7,557,607	9.1%	\$8,178,593	8.2%	\$8,792,000	7.5%	\$9,407,000	7.0%	\$10,066,000	7.0%
LAETRILE & GEROVITAL MFG. HECC TRANSFER	\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000	
BUSINESS LICENSE FEE [8-FY04][3-FY06][4-FY06]	\$739,561	8.6%	\$11,851,752	1503%	\$14,486,315	22.2%	\$21,897,095	51.2%	\$18,956,000	-13.4%	\$19,404,000	2.4%	\$19,987,000	3.0%
BUSINESS LICENSE TAX [9-FY04]	\$79,026,132	0.8%	\$22,216,500	-71.9%	\$1,297,383	-94.2%	\$431,986	-66.7%	\$199,750		\$50,000			
MODIFIED BUSINESS TAX														
MBT-NONFINANCIAL [10-FY04][5-FY06][6-FY06][3-FY08]			\$146,161,812		\$205,348,170	40.5%	\$232,760,812	13.3%	\$257,976,000	10.8%	\$285,063,000	10.5%	\$307,013,000	7.7%
MBT-FINANCIAL [11-FY04][5-FY06]			\$15,487,677		\$21,575,335	39.3%	\$22,491,110	4.2%	\$22,647,000	0.7%	\$24,277,000	7.2%	\$25,977,000	7.0%
BRANCH BANK EXCISE TAX [12-FY04][7-FY06]			\$1,508,192		\$3,084,456	104.5%	\$2,819,210	-8.6%	\$2,861,000	1.5%	\$3,047,000	6.5%	\$3,190,000	4.7%
REAL PROPERTY TRANSFER TAX [13-FY04][8-FY06]			\$88,024,738		\$148,730,974	69.0%	\$164,841,506	10.8%	\$123,735,000	-24.9%	\$124,166,000	0.3%	\$134,880,000	8.6%
TOTAL TAXES	\$1,696,010,111	4.5%	\$2,242,707,768	32.2%	\$2,559,687,394	14.1%	\$2,829,008,504	10.5%	\$2,898,103,600	2.4%	\$3,069,589,500	5.9%	\$3,295,542,900	7.4%
LICENSES														
INSURANCE LICENSES	\$10,076,143	29.1%	\$10,578,744	5.0%	\$11,358,651	7.4%	\$12,536,529	10.4%	\$13,665,000	9.0%	\$14,348,000	5.0%	\$15,783,000	10.0%
BANKING LICENSES [16-FY04]	\$20,400	-13.6%												
MARRIAGE LICENSES	\$587,712	0.0%	\$594,588	1.2%	\$599,890	0.9%	\$559,974	-6.7%	\$510,000	-8.9%	\$513,600	0.7%	\$516,200	0.5%
TOTAL SECRETARY OF STATE [14-FY04]	\$54,026,461	7.9%	\$75,312,846	39.4%	\$84,122,084	11.7%	\$101,139,626	20.2%	\$99,528,000	-1.6%	\$105,535,600	6.0%	\$111,892,700	6.0%
PRIVATE SCHOOL LICENSES	\$207,145	14.4%	\$251,705	21.5%	\$274,132	8.9%	\$246,102	-10.2%	\$243,000	-1.3%	\$251,500	3.5%	\$265,500	5.6%
PRIVATE EMPLOYMENT AGENCY	\$29,100	0.3%	\$26,000	-10.7%	\$18,700	-28.1%	\$18,000	-3.7%	\$14,000	-22.2%	\$14,000		\$14,000	
TOTAL REAL ESTATE [15-FY04][16-FY04]	\$1,548,788	-8.4%	\$2,653,740	71.3%	\$2,628,035	-1.0%	\$3,167,643	20.5%	\$3,193,000	0.8%	\$3,354,000	5.0%	\$3,455,000	3.0%
TOTAL FINANCIAL INSTITUTIONS [16-FY04]	\$1,926,415	7.3%												
ATHLETIC COMMISSION FEES	\$1,901,357	11.4%	\$2,258,306	18.8%	\$2,462,447	9.0%	\$3,042,779	23.6%	\$4,164,000	36.8%	\$3,000,000	-28.0%	\$3,000,000	
TOTAL LICENSES	\$70,323,520	10.1%	\$91,675,929	30.4%	\$101,463,939	10.7%	\$120,710,653	19.0%	\$121,317,000	0.5%	\$127,016,700	4.7%	\$134,926,400	6.2%
FEES AND FINES														
VITAL STATISTICS FEES [17-FY04]	\$647,213	12.2%	\$759,587	17.4%	\$845,362	11.3%	\$901,094	6.6%	\$942,500	4.6%	\$985,900	4.6%	\$1,030,300	4.5%
DIVORCE FEES	\$201,070	2.1%	\$205,535	2.2%	\$208,010	1.2%	\$211,146	1.5%	\$200,000	-5.3%	\$202,000	1.0%	\$204,000	1.0%
CIVIL ACTION FEES	\$1,322,518	5.8%	\$1,376,653	4.1%	\$1,412,898	2.6%	\$1,396,729	-1.1%	\$1,419,500	1.6%	\$1,422,700	0.2%	\$1,426,000	0.2%
INSURANCE FEES	\$617,132	-14.2%	\$624,149	1.1%	\$576,035	-7.7%	\$1,370,097	137.8%	\$860,000	-37.2%	\$700,000	-18.6%	\$700,000	
TOTAL REAL ESTATE FEES	\$436,415	9.9%	\$1,097,847	151.6%	\$1,243,176	13.2%	\$1,452,974	16.9%	\$1,204,400	-17.1%	\$1,240,500	3.0%	\$1,245,700	0.4%
SHORT-TERM CAR LEASE	\$22,208,165	12.9%	\$25,638,556	15.4%	\$26,793,014	4.5%	\$26,659,712	-0.5%	\$29,820,000	11.9%	\$29,517,000	-1.0%	\$30,403,000	3.0%
ATHLETIC COMMISSION LICENSES/FINES	\$210,920	71.6%	\$109,825	-47.9%	\$122,515	11.6%	\$690,076	463.3%	\$500,000	-27.5%	\$500,000		\$500,000	
WATER PLANNING FEES														
STATE ENGINEER SALES	\$1,590,428	1.2%	\$1,698,473	6.8%	\$2,077,432	22.3%	\$2,249,185	8.3%	\$1,800,000	-20.0%	\$1,700,000	-5.6%	\$1,700,000	
SUPREME COURT FEES	\$212,035	2.0%	\$219,042	3.3%	\$208,203	-4.9%	\$195,680	-6.0%	\$210,300	7.5%	\$216,400	2.9%	\$222,600	2.9%
MISC. FINES/FORFEITURES	\$350,947	103.4%	\$261,421	-25.5%	\$484,199	85.2%	\$1,269,520	162.2%	\$1,598,900	25.9%	\$1,091,000	-31.8%	\$1,101,000	0.9%
TOTAL FEES AND FINES	\$27,796,842	11.7%	\$31,991,088	15.1%	\$33,970,845	6.2%	\$36,396,214	7.1%	\$38,555,600	5.9%	\$37,575,500	-2.5%	\$38,532,600	2.5%
USE OF MONEY AND PROPERTY														
LYON COUNTY REPAYMENTS														
OTHER REPAYMENTS [18-FY04]	\$2,405,277	158.1%	\$2,008,738	-16.5%	\$2,100,078	4.5%	\$2,200,892	4.8%	\$2,932,015	33.2%	\$2,834,604	-3.3%	\$2,859,275	0.9%
MARLETTE REPAYMENT	\$10,512		\$10,512		\$10,512		\$10,664	1.4%	\$10,512	-1.4%	\$10,512		\$10,512	
INTEREST INCOME	\$5,990,047	-52.1%	\$4,528,633	-24.4%	\$13,685,869	202.2%	\$32,933,368	140.6%	\$55,929,200	69.8%	\$43,015,500	-23.1%	\$33,367,900	-22.4%
TOTAL USE OF MONEY AND PROPERTY	\$8,405,836	-37.5%	\$6,547,883	-22.1%	\$15,796,458	141.2%	\$35,144,924	122.5%	\$58,871,727	67.5%	\$45,860,616	-22.1%	\$36,237,687	-21.0%
OTHER REVENUE														
HOOVER DAM REVENUE	\$300,000		\$300,000		\$300,000		\$300,000		\$300,000		\$300,000		\$300,000	
MISC. SALES AND REFUNDS	\$932,709	-34.9%	\$899,132	-3.6%	\$1,428,335	58.9%	\$3,934,335	175.4%	\$864,200	-78.0%	\$859,500	-0.5%	\$839,600	-2.3%
COST RECOVERY PLAN	\$5,004,477	0.0%	\$9,714,586	94.1%	\$9,624,189	-0.9%	\$10,458,762	8.7%	\$10,438,900	-0.2%	\$7,003,200	-32.9%	\$7,018,100	0.2%
PETROLEUM INSPECTION FEES[4-FY08]	\$563,727	2.4%	\$557,966	-1.0%	\$582,201	4.3%	\$580,469	-0.3%	\$586,400	1.0%				
UNCLAIMED PROPERTY [9-FY06]	\$16,014,824	-17.1%	\$19,611,605	22.5%	\$19,811,660	1.0%	\$22,269,598	12.4%	\$18,383,000	-17.5%	\$17,098,000	-7.0%	\$17,263,000	1.0%
TOTAL OTHER REVENUE	\$22,815,737	-14.3%	\$31,083,289	36.2%	\$31,746,384	2.1%	\$37,543,164	18.3%	\$30,572,500	-18.6%	\$25,260,700	-17.4%	\$25,420,700	0.6%
TOTAL GENERAL FUND REVENUE	\$1,825,352,046	4.2%	\$2,404,005,956	31.7%	\$2,742,665,021	14.1%	\$3,058,803,459	11.5%	\$3,147,420,427	2.9%	\$3,305,303,016	5.0%	\$3,530,660,287	6.8%

GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2007 FORECAST
ACTUAL: FY 2003 THROUGH FY 2006 AND FORECAST: FY 2007 THROUGH FY 2009
ECONOMIC FORUM'S FORECAST FOR FY 2007, FY 2008, AND FY 2009 APPROVED AT THE MAY 1, 2007 MEETING

DESCRIPTION	FY 2003		FY 2004		FY 2005		FY 2006		MAY 1, 2007 ECONOMIC FORUM FORECAST					
	ACTUAL	% Change	ACTUAL	% Change	ACTUAL	% Change	ACTUAL [a.]	% Change	FY 2007	% Change	FY 2008	% Change	FY 2009	% Change

NOTES:

[a.] Subject to adjustment based on reconciliation with the Controller's Office and Budget Division

FY 2004

- [1-FY04] A.B. 4 (20th S.S.) reduced the collection allowance provided to the taxpayer for collecting and remitting the sales tax to the state from 1.25% to 0.5%, effective July 1, 2003.
- [2-FY04] S.B. 8 (20th S.S.) increased gross gaming tax rates by 0.5%: 3.0% to 3.5% on monthly revenue up to \$50,000; 4.0% to 4.5% on revenue over \$50,000 and up to \$134,000; 6.25% to 6.75% on revenue exceeding \$134,000, effective August 1, 2003.
- [3-FY04] S.B. 8 (20th S.S.) increased quarterly restricted slot fees by 33%: from \$61 to \$81 per machine, up to 5 machines; from \$106 to \$141 for each machine over 5, up to 15 machines, effective July 22, 2003.
- [4a-FY04] S.B. 8 (20th S.S.) modified types of establishments and entertainment subject to the current 10% Casino Entertainment Tax (CET), effective September 1 to December 31, 2003 [Estimated to generate \$4,982,000 additional collections during 4-month period].
- [4b-FY04] S.B. 8 (20th S.S.) repealed CET and replaced with the Live Entertainment Tax (LET): 5% of admissions price, if entertainment is in facility with 7,500 or more seats; 10% of admissions price & food, beverage, and merchandise purchased, if facility has more than 300 and up to 7,500 seats; exempt from the tax if facility is a non-gaming establishment with less than 300 seats or is gaming establishment with less than 300 seats and less than 51 slot machines, 6 games, or any combination thereof, effective January 1, 2004.
- [5-FY04] S.B. 8 (20th S.S.) increased liquor taxes by 75%: beer from 9 cents to 16 cents per gallon; liquor up to 14% alcohol from 40 cents to 70 cents per gallon; liquor over 14% and up to 22% alcohol from 75 cents to \$1.30 per gallon; liquor over 22% alcohol from \$2.05 (15 cents for alcohol abuse program, 50 cents to local government, and \$1.40 to state general fund) to \$3.60 per gallon (15 cents for alcohol abuse program, 50 cents to local government, and \$2.95 to state general fund), effective August 1, 2003. [Estimated to generate \$13,873,000 in FY 2004 and \$15,536,000 in FY 2005]. A.B. 4 (20th S.S.) reduced the collection allowance provided to the taxpayer for collecting and remitting the liquor tax to the state from 3% to 0.5%, effective August 1, 2003. [Estimated to generate \$734,000 in FY 2004 and \$822,000 in FY 2005]
- [6-FY04] S.B. 8 (20th S.S.) increased cigarette tax per pack of 20 by 45 cents: from 35 cents per pack (10 cents to Local Government Distribution Fund, 25 cents to state general fund) to 80 cents per pack (10 cents to Local Government Distribution Fund, 70 cents to state general fund), effective July 22, 2003. [Estimated to generate \$63,268,000 in FY 2004 and \$70,047,000 in FY 2005] A.B. 4 (20th S.S.) reduced the collection allowance provided to the taxpayer for collecting and remitting the cigarette tax to the state from 3% to 0.5%, effective August 1, 2003. [Estimated to generate \$2,538,000 in FY 2004 and \$2,884,000 in FY 2005]
- [7-FY04] A.B. 4 (20th S.S.) reduced collection allowance provided to taxpayer for collecting and remitting tax on other tobacco items from 2.0% to 0.5%, effective August 1, 2003.
- [8-FY04] S.B. 8 (20th S.S.) changed the \$25 one-time annual business license fee to an annual fee of \$100, effective July 22, 2003.
- [9-FY04] S.B. 8 (20th S.S.) repealed the current quarterly \$25 per employee tax when the Modified Business Tax comes online, effective October 1, 2003. [See Notes 10 and 11]
- [10-FY04] S.B. 8 (20th S.S.) imposes tax on gross payroll of a business less a deduction for health care provided to employees, effective October 1, 2003. Tax rate is 0.70% in FY 2004 and 0.65% in FY 2005.
- [11-FY04] S.B. 8 (20th S.S.) imposes tax of 2.0% on gross payroll of a financial institution less a deduction for health care provided to employees, effective October 1, 2003.
- [12-FY04] S.B. 8 (20th S.S.) imposes excise tax on each bank of \$7,000 per year (\$1,750 per quarter) on each branch office, effective January 1, 2004.
- [13-FY04] S.B. 8 (20th S.S.) imposes tax of \$1.30 per \$500 of value on the transfers of real property, effective October 1, 2003.
- [14-FY04] S.B.2 and A.B. 4 (20th S.S.) makes changes to the rates and structure of the fees collected from entities filing with the Secretary of State's office, effective September 1, 2003 for Securities and UCC fee increases and November 1, 2003 for changes to commercial recording fees.
- [15-FY04] S.B. 428 (2003 Session) increases real estate salesman, broker-salesman, and brokers licensing fees by \$20 for an original license and \$10 for renewal of license (original and renewal license fee varies depending on type of license), effective July 1, 2003.
- [16-FY04] A.B. 493 (2003 Session) established that revenues from fees collected by the Division of Financial Institutions of the Department of Business & Industry will be deposited in a separate fund to pay the expenses related to the operations of the Commissioner of Financial Institutions and the Division of Financial Institutions, effective January 1, 2004. Previously, the revenues from the fees were deposited in the state general fund.
- [17-FY04] A.B. 550 (2003 Session) increased state's portion of the fee for issuing copy of a birth certificate by \$2 and fee for issuing copy of death certificate by \$1, effective October 1, 2003
- [18-FY04] S.B. 504 (2003 Session) transferred the State Printing Division of the Department of Administration to the Legislative Counsel Bureau and all debt to the state general fund was forgiven, effective July 1, 2003.
- [19-FY04] Beginning in FY 2004, the portion of the fees collected by the Real Estate Division for Real Estate Testing Fees that belong to the general fund are transferred from Category 28 in BA 3823 to GL 4741 in the General Fund. Previously, the revenue from these fees were reverted to the general fund at the end of the fiscal year.

FY 2006

- [1-FY06] S.B. 357 (2005 Session) allocates \$1 per slot machine per quarter in FY 2006 and \$2 per slot machine per quarter in FY 2007 from the quarterly license fee imposed on restricted and nonrestricted slot machines and sunsets effective June 30, 2007. A total of \$822,000 in FY 2006 and \$1,678,000 is projected to be deposited in the Account to Support Programs for the Prevention and Treatment of Problem Gambling. (FY 2006: \$84,666 - restricted; \$737,334 - Nonrestricted and FY 2007: \$172,834 - Restricted; \$1,505,166 - Nonrestricted)
- [2-FY06] A.B. 554 (2005 Session) lowers the occupancy threshold from 300 to 200, effective July 1, 2005. Estimated to generate \$3,600,000 in FY 2006 and FY 2007.
- [3-FY06] S.B. 3 (22nd S.S.) provides an exemption for entities that have four or fewer rental dwelling units. Estimated to reduce collections by \$2,975,000 in FY 2006 and \$3,060,000 in FY 2007.
- [4-FY06] S.B. 3 (22nd S.S.) allows an entity operating a facility where craft shows, exhibitions, trade shows, conventions, or sporting events to pay the BLF for entities not having a business license as an annual flat fee of \$5,000 or on a \$1.25 times the number entities without a business license times the number days of the show basis. Estimated to generate \$134,420 in FY 2006 and \$158,884 in FY 2007.
- [5-FY06] S.B. 391 (2005 Session) replaces the NAICS-based approach for defining a financial institution with a structure based on a state or federal licensing or regulatory requirement for conducting financial activities. Collection agencies and pawn shops are not included as financial institutions, but as nonfinancial businesses. The changes are estimated to reduce MBT-Financial collections by \$1,801,800 in FY 2006 and \$2,047,500 in FY 2007 and increase MBT-Nonfinancial collections by \$584,168 in FY 2006 and \$621,237 in FY 2007. Net effect is a reduction in total MBT collections of \$1,217,632 in FY 2006 and \$1,426,263 in FY 2007.
- [6-FY06] S.B. 523 (2005 Session) reduces the MBT-nonfinancial institutions tax rate from 0.65% to 0.63% from July 1, 2005 to June 30, 2007. Estimated to reduce collections by \$6,978,000 in FY 2006 and \$7,450,000 in FY 2007.
- [7-FY06] S.B. 3 (22nd S.S.) provides an exemption for the first branch bank operated by a bank in each county, replacing the previous exemption for one branch bank only. Estimated to reduce collections by \$441,000 in FY 2006 and FY 2007.
- [8-FY06] S.B. 390 (2005 Session) increases the collection allowance provided to Clark County and Washoe County from 0.2% to 1.0%, effective July 1, 2005, which makes the collection allowance 1.0% in all 17 counties. Estimated to reduce collections by \$1,056,292 in FY 2006 and \$1,022,504 in FY 2007.
- [9-FY06] S.B. 4 (22nd S.S.) allocates \$7,600,000 of the Unclaimed Property revenues collected by the State Treasurer to the Millennium Scholarship Trust Fund in FY 2006 and FY 2007.

FY 2007

- [1-FY07] The state 2% sales tax collections forecasts for FY 2007, FY 2008, and FY 2009 are adjusted to reflect the impact of the approval of Question 8 at the November 7, 2006, General Election. Question 8 provides an exemption for the value of a used vehicle taken in trade on the purchase of another vehicle and the value of farm machinery and equipment, effective January 1, 2007. Based on the January 1, 2007 effective date, the FY 2007 forecast was adjusted down by .985%. The forecasts for FY 2008 and FY 2009 were adjusted down by 1.97%.

FY 2008

- [1-FY08] Per the June 30, 2007, sunset provision of S.B. 357 (2005 Session), the \$2 per slot machine per quarter allocated from the quarterly license fee imposed on restricted and nonrestricted slot machines to the Account to Support Programs for the Prevention and Treatment of Problem Gambling ceases and the full amount collected from the quarterly slot fees remains in the General Fund.
- [2-FY08] Per the A.B. 554 (2005 Session), race events that are part of the National Association of Stock Car Auto Racing (NASCAR) Nextel Cup series and all races associated with such an event are exempt from the LET, effective July 1, 2007.
- [3-FY08] Per the sunset provision of S.B. 523 (2005 Session), the MBT-nonfinancial institutions tax rate increases to 0.65% from 0.63%, effective July 1, 2007.
- [4-FY08] S.B. 165 (2005 Session) requires the state General Fund portion of the petroleum inspection fees imposed pursuant to NRS 590.120 to be deposited into a separate account for use by the Department of Agriculture, effective July 1, 2007.