

EXECUTIVE AGENCY
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 11, 2023

Agency Submitting: Department of Taxation

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
Personnel (Expense)		\$120,130	\$165,816	\$331,632
Operating Expenses (Expense)		\$5,041	\$5,469	\$10,938
Equipment (Expense)		\$9,216		
Information Services (Expense)		\$8,416	\$3,832	\$7,664
General Fund Revenue (Revenue)		(\$5,000,000)	(\$5,000,000)	(\$10,000,000)
Total	0	(\$5,142,803)	(\$5,175,117)	(\$10,350,234)

Explanation

(Use Additional Sheets of Attachments, if required)

This bill allows for a partial tax abatement against property taxes, business taxes, and local sales and use taxes to a business that locates or expands into NV, so long as such business provides mental health services to children. This bill also clarifies that facilities providing mental health services to children are eligible for loans, and financial assistance through the Nevada State Infrastructure Bank. Also, creates the Account to Improve Mental Health Services for Children who are a recipient of Medicaid for mental health services. Any taxpayer required to pay taxes imposed pursuant to NRS 363A.130 may receive a credit against the Modified Business tax due, for any donation made by the taxpayer to the "Account to Improve Mental Health Services for Children".

A Tax Examiner II will be required to receive requests, track requests, ensure the Department is awarding and issuing the appropriate dollar amount in credits each fiscal year, and issue correspondence. A Tax Program Supervisor I is required to oversee the addition of this tax credit program in its entirety and to provide supervision to the Tax Examiner II.

This request is for the funding of one Tax Examiner II position and one Tax Program Supervisor I position, and associated costs, beginning in October 2023. The Department will incur Personnel Services expenses in the amount of \$120,130 in FY24 and \$165,816 in FY25, with recurring costs for future biennia. There will be Operating Expenses in the amount of \$5,041 for FY24 and \$5,469 for FY25. This expense will also recur in future biennia. A one-time Equipment Expense in the amount of \$9,216 is needed in FY24. The Information Services expense will be recurring in the amount of \$7,664 and includes required EITS Assessment costs (phone, productivity suite, etc).

Assuming that all tax credits are taken in the year they are approved, a total revenue loss up to \$5 million will be realized in FY24 and FY25, and up to \$10 million for future biennia.

Name Adriane Roberts-Larson

Title Deputy Executive Director -
Administrative Services

GOVERNOR'S OFFICE OF FINANCE COMMENTS

The agency's response appears reasonable.

Date Tuesday, April 04, 2023

Name Amy Stephenson

Title Director