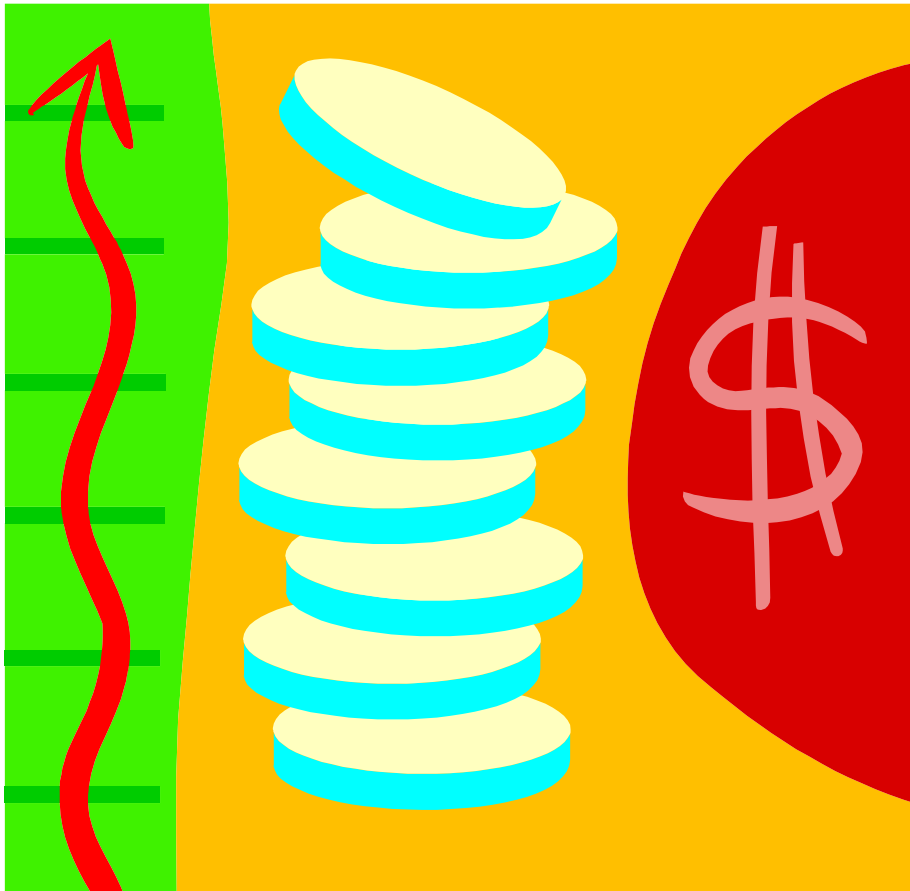


GENERAL FUND PROJECTIONS



GENERAL FUND REVENUE ESTIMATES AND PROJECTED UNAPPROPRIATED GENERAL FUND BALANCES

The 2003 Legislature (includes the 19th and 20th Special Sessions) approved a General Fund operating budget for the 2003-05 biennium that totals \$4.835 billion. The Governor recommended an operating budget that totaled \$4.842 billion or approximately \$7.3 million more than what was approved by the 2003 Legislature.

State law provides that the Economic Forum, whose membership is from the private sector, must develop a forecast of all state General Fund revenues by December 1st of even-numbered years and a revised forecast by May 1st in odd-numbered years. The Governor's proposed budget was based on the December 1st forecast combined with proposed General Fund revenue enhancements of \$1.083 billion (includes \$84.8 million in FY 2002-03). The Legislatively approved budget was based on the May 1st forecast combined with General Fund revenue enhancements of \$833.5 million over the 2003-05 biennium (includes reduced General Fund support for K-12 education due to lowering the LSST collection allowance). A more detailed explanation of the revenue enhancements is found in the Tax Policy section of this report.

The schedules that follow present the projected appropriated General Fund balance at the close of FY 2002-03, FY 2003-04 and FY 2004-05 and recap the revenue forecast upon which the 2003-05 budget was based. Without revenue enhancements, General Fund revenues were projected by the Economic Forum to increase by 4.5 percent and 5.0 percent in FY 2003-04 and FY 2004-05, respectively. This compares to projected General Fund revenue growth of 3.8 percent in FY 2002-03 and actual revenue growth of 1.0 percent in FY 2001-02. The lower than projected growth in revenue collections in FY 2001-02 and FY 2002-03 required the use of \$354.8 million in one-time revenues which include reductions in one-time appropriations, the use of TANF and Intergovernmental Transfer reserves and a transfer of \$135 million from the Rainy Day Fund to maintain an adequate balance in the state General Fund over the 2001-03 biennium.

The General Fund revenue enhancements approved by the 20th Special Session of the Legislature totaled \$363.0 million in FY 2003-04 and \$470.5 million in FY 2004-05, for a total of \$833.5 million over the 2003-05 biennium. The state's two largest revenue sources, sales tax and gaming taxes, are projected to account for approximately 61 percent of all General Fund revenues during the 2003-05 biennium (does not include casino/live entertainment tax). Sales taxes are projected to increase by 5.9 percent in FY 2003-04 and 5.6 percent in FY 2004-05, while gaming taxes are projected to grow by 10.6 percent in FY 2003-04 and 5.8 percent in FY 2004-05 (includes actions taken during the 20th Special Session of the Legislature).

The budget approved by the Legislature projects a General Fund balance of \$152.0 million at the end of the 2003-05 biennium compared to the projected balance of \$185.6 million included in The Executive Budget. It should be noted that with the transfer of \$135.0 million from the Rainy Day Fund approved by the Legislature in FY 2002-03, the balance in the fund was lowered to approximately \$1.3 million.

**STATEMENT OF PROJECTED UNAPPROPRIATED GENERAL FUND BALANCE
FY 2002, FY 2003, FY 2004, and FY 2005**

FY 2002	LEGISLATURE APPROVES	ACTUAL	DIFFERENCE
Unappropriated Balance - July 1, 2001	\$ 108,108,136	\$ 125,672,584	\$ 17,564,448
FY 2002 Revenue (Legislature Approves represents Economic Forum May 1, 2001 Estimate)	\$ 1,820,162,355	\$ 1,751,957,967	\$ (68,204,388)
Transfer of Funds from Municipal Bond Bank and Bond Interest & Redemption (101-00-9999-4863)		\$ 10,000,000	\$ 10,000,000
Debt Service Deposit Agreement (101-9999-00-3291)		\$ 20,000,000	\$ 20,000,000
FY 2002 Reversions (Legislature Approves represents amount approved from 2001 Session)	<u>\$ 38,920,000</u>	<u>\$ 72,383,030</u>	<u>\$ 33,463,030</u>
Total Funds Available	\$ 1,859,082,355	\$ 1,854,340,997	\$ (4,741,358)
Less Appropriations:			
FY 2002 One-Time Appropriations	\$ (18,250,000)	\$ (18,250,000)	\$ -
Appropriations Transferred To/From FY 2003		\$ (43,310,128)	\$ -
General Fund Advances Outstanding at Close of Fiscal Year		\$ (1,331,846)	\$ (1,331,846)
FY 2002 Ongoing Appropriations	<u>\$ (1,826,553,944)</u>	<u>\$ (1,826,553,944)</u>	<u>\$ -</u>
Total FY 2002 Appropriations	\$ (1,844,803,944)	\$ (1,889,445,918)	\$ (44,641,974)
Controller's Adjustments	\$ -	\$ 1,853,175	\$ 1,853,175
Transfer to Disaster Relief Fund (NRS 353.288/2735)	<u>\$ (2,000,000)</u>	<u>\$ (2,000,000)</u>	<u>\$ -</u>
Total Unappropriated Balance July 1, 2002	\$ 120,386,547	\$ 90,420,838 a.	\$ (29,965,709)
FY 2003	GOVERNOR RECOMMENDS	LEGISLATURE APPROVES	DIFFERENCE
Unappropriated Balance July 1, 2002	\$ 90,412,495 a.	\$ 90,420,838 a.	\$ 8,343
FY 2003 Projected Revenues from Economic Forum December 2002 & May 2003 estimates	\$ 1,813,496,507	\$ 1,819,389,499	\$ 5,892,992
FY 2003 Projected NEW Revenues	\$ 84,799,762	\$ -	\$ (84,799,762)
Transfer from Fund to Stabilize the Operation of State Government (A.B. 259; Chapter 9)	\$ 100,000,000	\$ 135,000,000	\$ 35,000,000
Treasurer Refinancing Strategies	\$ 2,240,000	\$ 2,240,000	\$ -
FY 2003 Projected Reversions	\$ 39,370,000	\$ 39,370,000	\$ -
Proposed 3% Budget Reductions + Additional Reversions - One Shots, etc.	\$ 61,252,281	\$ 49,196,204 b.	\$ (12,056,077)
Repayment of Overcharges from DoIT (June 24th IFC)	\$ -	\$ 2,021,440	\$ 2,021,440
Repayment of Outstanding General Fund Advances	<u>\$ 840,796</u>	<u>\$ 840,796</u>	<u>\$ -</u>
Total Funds Available	\$ 2,101,999,346	\$ 2,048,057,939	\$ (53,941,407)
Less Appropriations:			
FY 2003 Operating Appropriations	\$ (1,969,730,496)	\$ (1,969,730,496)	\$ -
Appropriations Transferred To/From FY 2002	\$ 43,310,128	\$ 43,310,128	\$ -
FY 2003 Restore Fund Balances	\$ (13,992,456)	\$ (5,715,593)	\$ 8,276,863
FY 2003 Restore Fund to Stabilize Operation of State Government	\$ (50,000,000)	\$ -	\$ 50,000,000
FY 2003 Supplemental Appropriations	\$ (83,669,421)	\$ (92,203,024)	\$ (8,533,603)
Cost of the 2003 Legislative Session (S.B. 1 & A.B. 553)	\$ (11,000,000)	\$ (11,600,000)	\$ (600,000)
Cost of 18th Special Session	<u>\$ (160,000)</u>	<u>\$ (160,000)</u>	<u>\$ -</u>
Total FY 2003 Appropriations	\$ (2,085,242,245)	\$ 2,036,098,985	\$ 4,121,341,230
Transfer to Disaster Relief Fund	<u>\$ (2,000,000)</u>	<u>\$ (2,000,000)</u>	<u>\$ -</u>
Total Estimated Unappropriated General Fund Balance July 1, 2003	\$ 105,169,596	\$ 100,379,792 c.	\$ (4,789,804)

NOTES:

- a. Subject to reconciliation with the Budget Division, Fiscal Division, and the 2001-02 Controller's Annual Report; does not include \$136,340,970 in the Stabilization Fund (NRS 353.288).
- b. Amount revised per EBO information supplied on July 8, 2003.
- c. Does not include \$1,340,970 in the Stabilization Fund (NRS 353.288).

**STATEMENT OF PROJECTED UNAPPROPRIATED GENERAL FUND BALANCE
FY 2002, FY 2003, FY 2004, and FY 2005**

FY 2004	GOVERNOR RECOMMENDS	LEGISLATURE APPROVES	DIFFERENCE
Unappropriated Balance July 1, 2003	\$ 105,169,596	\$ 100,379,792 c.	\$ (4,789,804)
FY 2004 Projected Revenues from Economic Forum December 2002 & May 2003 estimates	\$ 1,896,022,994	\$ 1,901,604,034	\$ 5,581,040
FY 2004 Projected NEW Revenues	\$ 438,193,167	\$ 357,046,024	\$ (81,147,143)
Deposit Estate Tax Revenue in General Fund - UCCSN (S.B. 415; Chapter 428)	\$ -	\$ 45,836,551	\$ 45,836,551
Improved Compliance Audit Collections - Department of Taxation	\$ -	\$ 2,000,000	\$ 2,000,000
FY 2004 Projected Reversions	\$ 46,964,000	\$ 46,964,000	\$ -
Total Funds Available	\$ 2,381,180,161	\$ 2,353,450,609	\$ (27,729,552)
Less Appropriations			
FY 2004 Ongoing Appropriations	\$ (1,535,303,789)	\$ (1,556,348,888)	\$ (21,045,099)
FY 2004 Distributive School Fund	\$ (717,254,488)	\$ (637,789,627) d.	\$ 79,464,861
FY 2004 Class-Size Reduction	\$ (108,136,562)	\$ (108,937,389)	\$ (800,827)
FY 2004 One-Time Appropriations	\$ -	\$ (8,815,000)	\$ (8,815,000)
FY 2004 Restore Fund Balance (IFC)	\$ -	\$ (8,092,456)	\$ (8,092,456)
Cost of 20th Special Session (S.B. 1; Chapter 1)	\$ -	\$ (250,000)	\$ (250,000)
Cost of 20th Special Session (S.B. 7; Chapter 16)	\$ -	\$ (200,000)	\$ (200,000)
Total FY 2004 Appropriations	\$ (2,360,694,839)	\$ (2,320,433,360)	\$ 40,261,479
Transfer to Disaster Relief Fund	\$ (2,000,000)	\$ -	\$ 2,000,000
Total Estimated Unappropriated General Fund Balance July 1, 2004	\$ 123,654,918	\$ 133,397,041 c.	\$ 9,742,123
FY 2005	GOVERNOR RECOMMENDS	LEGISLATURE APPROVES	DIFFERENCE
Unappropriated Balance July 1, 2004	\$ 123,654,918	\$ 133,397,041 c.	\$ 9,742,123
FY 2005 Projected Revenues from Economic Forum December 2002 & May 2003 estimates	\$ 1,992,982,730	\$ 1,997,383,505	\$ 4,400,775
FY 2005 Projected NEW Revenues	\$ 560,091,191	\$ 464,205,228	\$ (95,885,963)
Deposit Estate Tax Revenue in General Fund - UCCSN (S.B. 415; Chapter 428)	\$ -	\$ 43,398,297	\$ 43,398,297
Improved Compliance Audit Collections - Department of Taxation	\$ -	\$ 3,000,000	\$ 3,000,000
FY 2005 Projected Reversions	\$ 55,384,000	\$ 55,384,000	\$ -
Total Funds Available	\$ 2,608,457,921	\$ 2,563,371,030	\$ (45,086,891)
Less Appropriations			
FY 2005 Ongoing Appropriations	\$ (1,619,717,887)	\$ (1,647,562,294)	\$ (27,844,407)
FY 2005 Distributive School Fund	\$ (747,773,877)	\$ (767,086,697) d.	\$ (19,312,820)
FY 2005 Class-Size Reduction	\$ (114,022,267)	\$ (117,142,553)	\$ (3,120,286)
FY 2005 Restore Fund to Stabilize Operation of State Government	\$ (50,000,000)	\$ - e.	\$ 50,000,000
Estimated Cost of the 2005 Legislative Session	\$ (13,000,000)	\$ (13,000,000)	\$ -
Total FY 2005 Appropriations	\$ (2,544,514,031)	\$ (2,544,791,544)	\$ (277,513)
Transfer to Disaster Relief Fund	\$ (2,000,000)	\$ -	\$ 2,000,000
Total Estimated Unappropriated General Fund Balance July 1, 2005	\$ 185,598,808	\$ 151,976,527 c.	\$ (33,622,281)

NOTES:

c. Does not include \$1,340,970 in the Stabilization Fund (NRS 353.288).

d. Reflects receipt of \$67,952,000 in Federal HR-2 Funds (FY 2004). Legislature Approves reduced by approximately \$6 million per year due to collection commission for LSST being reduced (A.B. 4 - 20th S.S.)

e. Legislature approved S.B. 8 (20th S.S.) which contingently appropriates \$50,000,000 to the Fund to Stabilize Operation of State Government (NRS 353.288).

**GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2003 FORECAST
ACTUALS: FY 1999 THROUGH FY 2002 AND FORECAST: FY 2003 THROUGH FY 2005**

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DESCRIPTION	FY 1999		FY 2000		FY 2001		FY 2002		MAY 1, 2003 ECONOMIC FORUM FORECAST [b.]							
	ACTUAL	%	ACTUAL	%	ACTUAL	%	ACTUAL [a.]	%	FY 2003		FY 2004		FY 2005			
										%	%	%	%	%		
TAXES																
TOTAL MINING TAXES	\$14,894,647	-5.7%	\$13,446,512	-9.7%	\$14,672,692	9.1%	\$9,418,008	-35.8%	\$11,226,000	19.2%	\$11,433,000	1.8%	\$11,616,000	1.6%		
TOTAL SALES AND USE TAX	\$580,194,636	10.5%	\$610,070,856	5.1%	\$645,767,621	5.9%	\$655,068,480	1.4%	\$687,822,000	5.0%	\$722,902,000	5.1%	\$763,385,000	5.6%		
TOTAL GAMING TAX	\$534,405,763	8.7%	\$592,335,632	10.8%	\$604,464,065	2.0%	\$589,803,811	-2.4%	\$608,732,900	3.2%	\$630,202,300	3.5%	\$659,024,300	4.6%		
CASINO ENTERTAINMENT TAX	\$47,874,649	22.4%	\$58,525,658	22.2%	\$63,919,196	9.2%	\$64,817,715	1.4%	\$70,911,000	9.4%	\$76,088,000	7.3%	\$81,414,000	7.0%		
INSURANCE PREMIUM TAX	\$116,917,615	5.6%	\$129,333,474	10.6%	\$146,925,032	13.6%	\$156,550,893	6.6%	\$168,067,000	7.4%	\$179,881,000	7.0%	\$192,458,000	7.0%		
LIQUOR TAX	\$14,670,539	-2.9%	\$15,663,964	6.8%	\$15,745,514	0.5%	\$15,995,650	1.6%	\$16,432,400	2.7%	\$16,881,200	2.7%	\$17,329,400	2.7%		
CIGARETTE TAX	\$42,124,234	-2.8%	\$42,220,870	0.2%	\$43,691,552	3.5%	\$41,843,892	-4.2%	\$41,844,000	0.0%	\$41,844,000		\$41,844,000			
OTHER TOBACCO TAX	\$5,358,940	-0.7%	\$5,962,399	11.3%	\$5,602,823	-6.0%	\$5,557,893	-0.8%	\$5,835,800	5.0%	\$5,894,100	1.0%	\$5,953,100	1.0%		
LAETRILE & GEROVITAL MFG.			\$3,776		\$2,692											
HECC TRANSFER	\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000		\$5,000,000			
BUSINES LICENSE FEE	\$407,616	-10.5%	\$513,689	26.0%	\$523,072	1.8%	\$680,845	30.2%	\$650,000	-4.5%	\$650,000		\$650,000			
BUSINESS LICENSE TAX	\$71,734,950	4.7%	\$75,924,128	5.8%	\$77,270,722	1.8%	\$78,394,651	1.5%	\$78,747,000	0.4%	\$81,232,000	3.2%	\$83,837,000	3.2%		
TOTAL TAXES	\$1,433,583,589	8.6%	\$1,549,000,957	8.1%	\$1,623,584,982	4.8%	\$1,623,131,839	0.0%	\$1,695,268,100	4.4%	\$1,772,007,600	4.5%	\$1,862,510,800	5.1%		
LICENSES																
INSURANCE LICENSES	\$5,817,460	6.2%	\$6,484,965	11.5%	\$6,889,858	6.2%	\$7,806,594	13.3%	\$9,024,300	15.6%	\$9,430,400	4.5%	\$9,854,700	4.5%		
BANKING LICENSES	\$15,400	-29.2%	\$17,525	13.8%	\$23,785	35.7%	\$23,600	-0.8%	\$20,000	-15.3%	\$20,000		\$20,000			
MARRIAGE LICENSES	\$585,672	-0.1%	\$616,821	5.3%	\$638,691	3.5%	\$587,774	-8.0%	\$595,700	1.3%	\$616,700	3.5%	\$635,900	3.1%		
TOTAL SECRETARY OF STATE ^[1.]	\$30,461,290	13.2%	\$35,243,687	15.7%	\$36,442,206	3.4%	\$50,064,820	37.4%	\$54,178,000	8.2%	\$55,495,400	2.4%	\$56,851,600	2.4%		
PRIVATE SCHOOL LICENSES	\$140,241	8.7%	\$142,461	1.6%	\$156,485	9.8%	\$181,009	15.7%	\$191,000	5.5%	\$202,000	5.8%	\$213,000	5.4%		
PRIVATE EMPLOYMENT AGENCY	\$27,800	9.0%	\$31,500	13.3%	\$29,800	-5.4%	\$29,000	-2.7%	\$27,200	-6.2%	\$27,000	-0.7%	\$26,000	-3.7%		
TOTAL REAL ESTATE	\$1,353,498	-7.0%	\$1,518,172	12.2%	\$1,451,867	-4.4%	\$1,690,734	16.5%	\$1,525,200	-9.8%	\$1,778,300	16.6%	\$1,606,300	-9.7%		
TOTAL FINANCIAL INSTITUTIONS	\$1,396,433	17.6%	\$1,512,027	8.3%	\$1,626,149	7.5%	\$1,795,162	10.4%	\$1,969,500	9.7%	\$1,969,500		\$1,969,500			
ATHLETIC COMMISSION FEES ^[2.]	\$1,600,478	62.8%	\$2,819,325	76.2%	\$2,853,655	1.2%	\$1,706,730	-40.2%	\$1,950,000	14.3%	\$1,500,000	-23.1%	\$1,500,000			
TOTAL LICENSES	\$41,398,271	12.6%	\$48,386,482	16.9%	\$50,112,496	3.6%	\$63,885,422	27.5%	\$69,480,900	8.8%	\$71,039,300	2.2%	\$72,677,000	2.3%		

NOTES:

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

[b.] Estimates for FY 2003, FY 2004, and FY 2005 represent the Economic Forum's May 1, 2003 forecast and do not include adjustments for legislative actions approved during by the 2003 Legislature (72nd Session and 20th Special Session).

[1.] S.B. 577 (2001 Legislative Session) increased the Secretary of State's recording and filing fees. It was estimated these changes would generate an additional \$14,000,000 in FY 2002 and \$15,000,000 in FY 2003.

[2.] Beginning in FY 2002, Licenses/Fines (GL 3103) revenues collected by the Athletic Commission are reported separately. Previously, these revenues were recorded in GL 3102 along with the fees assessed on the gross receipts from admission fees unarmed combat events.

GENERAL FUND REVENUES - ECONOMIC FORUM MAY 1, 2003 FORECAST
ACTUALS: FY 1999 THROUGH FY 2002 AND FORECAST: FY 2003 THROUGH FY 2005

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DESCRIPTION	FY 1999		FY 2000		FY 2001		FY 2002		MAY 1, 2003 ECONOMIC FORUM FORECAST [b.]							
	ACTUAL	%	ACTUAL	%	ACTUAL	%	ACTUAL [a.]	%	FY 2003		FY 2004		FY 2005			
										%	%	%	%	%		
FEES AND FINES																
VITAL STATISTICS FEES	\$479,452	-4.6%	\$523,226	9.1%	\$534,243	2.1%	\$576,967	8.0%	\$653,400	13.2%	\$681,500	4.3%	\$706,700	3.7%		
DIVORCE FEES	\$172,826	-5.6%	\$200,657	16.1%	\$203,454	1.4%	\$196,953	-3.2%	\$200,900	2.0%	\$207,000	3.0%	\$212,600	2.7%		
CIVIL ACTION FEES	\$1,139,909	-0.8%	\$1,191,315	4.5%	\$1,215,362	2.0%	\$1,250,147	2.9%	\$1,302,700	4.2%	\$1,346,700	3.4%	\$1,386,800	3.0%		
INSURANCE FINES	\$786,282	48.0%	\$738,251	-6.1%	\$537,507	-27.2%	\$719,183	33.8%	\$434,000	-39.7%	\$434,000		\$434,000			
TOTAL REAL ESTATE FEES ^[3.]	\$443,283	0.1%	\$435,547	-1.7%	\$388,128	-10.9%	\$397,274	2.4%	\$415,625	4.6%	\$410,425	-1.3%	\$415,225	1.2%		
SHORT TERM CAR LEASE ^[4.]	\$7,998,221	2.9%	\$8,271,686	3.4%	\$8,288,217	0.2%	\$19,662,998	137.2%	\$22,700,000	15.4%	\$23,154,000	2.0%	\$23,617,000	2.0%		
ATHLETIC COMMISSION LICENSES/FINES ^[2.]							\$122,908		\$200,000	62.7%	\$150,000	-25.0%	\$150,000			
WATER PLANNING FEES ^[8.]	\$21,164	22.3%	\$16,007	-24.4%	\$21,069	31.6%										
STATE ENGINEER SALES ^[8.]	\$1,528,788	-5.8%	\$1,517,864	-0.7%	\$1,588,378	4.6%	\$1,572,066	-1.0%	\$1,600,000	1.8%	\$1,600,000		\$1,600,000			
SUPREME COURT FEES	\$223,450	-0.3%	\$232,420	4.0%	\$204,075	-12.2%	\$207,830	1.8%	\$200,000	-3.8%	\$200,000		\$200,000			
MISC. FINES/FORFEITURES	\$177,725	-84.6%	\$117,633	-33.8%	\$136,957	16.4%	\$172,541	26.0%	\$174,100	0.9%	\$175,400		\$176,700	0.7%		
TOTAL FEES AND FINES	\$12,971,100	-4.6%	\$13,244,606	2.1%	\$13,117,391	-1.0%	\$24,878,868	89.7%	\$27,880,725	12.1%	\$28,359,025	1.7%	\$28,899,025	1.9%		
USE OF MONEY AND PROPERTY																
LYON COUNTY REPAYMENTS					\$177,450											
OTHER REPAYMENTS ^[6.] ^[7.]	\$957,381	25.0%	\$1,146,532		\$1,118,866		\$931,938		\$2,309,067	147.8%	\$2,027,137		\$2,027,137			
MARLETTE REPAYMENT	\$3,655	56.9%	\$6,338	73.4%	\$10,483	65.4%	\$10,512	0.3%	\$10,512		\$10,512		\$10,512			
INTEREST INCOME	\$27,675,627	3.3%	\$19,650,375	-29.0%	\$26,333,458	34.0%	\$12,501,357	-52.5%	\$6,184,200	-50.5%	\$4,050,300	-34.5%	\$5,895,300	45.6%		
TOTAL USE OF MONEY & PROPERTY	\$28,636,662	3.9%	\$20,803,245	-27.4%	\$27,640,257	32.9%	\$13,443,808	-51.4%	\$8,503,779	-36.7%	\$6,087,949	-28.4%	\$7,932,949	30.3%		
OTHER REVENUE																
HOOVER DAM REVENUE	\$300,000		\$300,000		\$300,000		\$300,000		\$300,000		\$300,000		\$300,000			
MISC. SALES AND REFUNDS	\$3,218,047	93.4%	\$2,446,230	-24.0%	\$4,515,462	84.6%	\$1,431,898	-68.3%	\$884,075	-38.3%	\$1,013,700	14.7%	\$976,400	-3.7%		
COST RECOVERY PLAN	\$4,497,042	-3.0%	\$4,376,469	-2.7%	\$4,251,236	-2.9%	\$5,006,463	17.8%	\$4,994,080	-0.2%	\$9,722,300	94.7%	\$9,735,451	0.1%		
PETROLEUM INSPECTION FEES	\$517,803	-2.5%	\$534,777	3.3%	\$516,320	-3.5%	\$550,736	6.7%	\$550,740	0.0%	\$567,260	3.0%	\$584,280	3.0%		
UNCLAIMED PROPERTY ^[5.]	\$5,834,400	-15.3%	\$7,730,573	32.5%	\$10,078,369	30.4%	\$19,328,933	91.8%	\$11,527,100	-40.4%	\$12,506,900	8.5%	\$13,767,600	10.1%		
TOTAL OTHER REVENUE	\$14,367,292	2.5%	\$15,388,049	7.1%	\$19,661,386	27.8%	\$26,618,030	35.4%	\$18,255,995	-31.4%	\$24,110,160	32.1%	\$25,363,731	5.2%		
TOTAL GENERAL FUND REVENUE	\$1,530,956,914	8.4%	\$1,646,823,340	7.6%	\$1,734,116,512	5.3%	\$1,751,957,967	1.0%	\$1,819,389,499	3.8%	\$1,901,604,034	4.5%	\$1,997,383,505	5.0%		

NOTES:

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

[b.] Estimates for FY 2003, FY 2004, and FY 2005 represent the Economic Forum's May 1, 2003 forecast and do not include adjustments for legislative actions approved during by the 2003 Legislature (72nd Session and 20th Special Session).

[2.] Beginning in FY 2002, Licenses/Fines (GL 3103) revenues collected by the Athletic Commission are reported separately. Previously, these revenues were recorded in GL 3102 along with the fees assessed on the gross receipts from admission fees to unarmed combat events.

[3.] S.B. 307 (2001 Legislative Session) increased the Appraiser License fees. It was estimated these changes would generate an additional \$24,000 in FY 2002 and FY 2003.

[4.] A.B. 460 (2001 Legislative Session) changed the payment period for Short-Term Car Lease Fees from annual to quarterly and increased rate due to the state. It was estimated these changes would generate an additional \$12,048,750 in FY 2002 and \$15,494,500 in FY 2003.

[5.] A.B. 77 (2001 Legislative Session) shortened the time period for which certain types of property are deemed to be unclaimed. It was estimated these changes would generate an additional one-time payment in FY 2002 of \$8,279,686.

[6.] The Printing Division did not make the scheduled repayment of \$70,669 in FY 2002 and is currently not budgeting to make payments in FY 2003, FY 2004, and FY 2005.

[7.] The Department of Information of Technology (DOIT) did not make the scheduled repayment for the noted projects totaling \$114,749 in FY 2002. The payments for FY 2002 were to be made in FY 2003 in addition to their normal scheduled repayment for FY 2003.

[8.] Beginning in FY 2002, GL 3180 - Water Planning Fees were deposited in GL 3205 - State Engineer Sales due to elimination of the account by the agency.

**ADJUSTMENTS TO THE ECONOMIC FORUM MAY 1, 2003 FORECAST FOR THE 2003-05 BIENNIUM
BASED ON MEASURES APPROVED BY THE 2003 LEGISLATURE (72nd SESSION and 20th SPECIAL SESSION)**

DESCRIPTION	ESTIMATED REVENUE GENERATED FROM LEGISLATIVE ACTIONS					
	FY 2003	% Change	FY 2004	% Change	FY 2005	% Change
ECONOMIC FORUM MAY 1, 2003 FORECAST	\$1,819,389,499	3.8%	\$1,901,604,034	4.5%	\$1,997,383,505	5.0%
TAXES						
CURRENT TAXES						
SALES AND USE TAX (A.B. 4) ^[1.]			\$5,490,000		\$5,798,000	
PERCENTAGE FEE TAX - GROSS REVENUE (S.B. 8) ^[2.]			\$40,982,000		\$51,146,000	
RESTRICTED SLOT FEES (S.B. 8) ^[3.]			\$2,309,000		\$2,384,000	
CASINO ENTERTAINMENT TAX (S.B. 8) ^[4a.]			\$4,982,000			
LIQUOR TAX (S.B. 8, A.B. 4) ^[5.]			\$14,607,000		\$16,358,000	
CIGARETTE TAX (S.B. 8, A.B. 4) ^[6.]			\$65,806,000		\$72,931,000	
OTHER TOBACCO TAX (A.B. 4) ^[7.]			\$83,000		\$91,000	
BUSINES LICENSE FEE (S.B. 8) ^[8.]			\$22,079,000		\$24,533,000	
BUSINESS LICENSE TAX (S.B. 8) ^[9.]			<u>(\$60,924,000)</u>		<u>(\$83,837,000)</u>	
TOTAL CURRENT TAXES			<u>\$95,414,000</u>		<u>\$89,404,000</u>	
NEW TAXES						
MODIFIED BUSINESS TAX - NON-FINANCIAL INSTITUTIONS (S.B. 8) ^[10.]			\$139,688,000		\$181,786,000	
MODIFIED BUSINESS TAX - FINANCIAL INSTITUTIONS (S.B. 8) ^[11.]			\$15,469,000		\$21,386,000	
BANK BRANCH OFFICE EXCISE TAX (S.B. 8) ^[12.]			\$1,302,000		\$2,604,000	
LIVE ENTERTAINMENT TAX (S.B. 8) ^[4b.]						
LICENSED GAMING ESTABLISHMENTS			\$8,987,000		\$17,974,000	
NON-GAMING ESTABLISHMENTS			\$27,491,000		\$57,452,000	
REAL PROPERTY TRANSFER TAX (S.B. 8) ^[13.]			<u>\$51,423,000</u>		<u>\$69,936,000</u>	
TOTAL NEW TAXES			<u>\$244,360,000</u>		<u>\$351,138,000</u>	
TOTAL TAXES (CURRENT & NEW)			<u>\$339,774,000</u>		<u>\$440,542,000</u>	
LICENSES						
SECRETARY OF STATE FEES (S.B. 2, A.B. 4) ^[14.]			\$18,900,000		\$25,208,000	
REAL ESTATE LICENSES (S.B. 428) ^[15.]			\$150,441		\$135,824	
FINANCIAL INSTITUTIONS LICENSES & FEES ^[16.]			<u>(\$1,994,500)</u>		<u>(\$1,994,500)</u>	
TOTAL LICENSES			<u>\$17,055,941</u>		<u>\$23,349,324</u>	
FEES AND FINES						
VITAL STATISTICS FEES (A.B. 550) ^[17.]			\$235,955		\$333,776	
USE OF MONEY AND PROPERTY						
PRINTING DIVISION REPAYMENT (S.B. 504) ^[18.]			<u>(\$19,872)</u>		<u>(\$19,872)</u>	
TOTAL ADDITIONAL GENERAL FUND REVENUES			<u>\$357,046,024</u>		<u>\$464,205,228</u>	
TOTAL GENERAL FUND REVENUES	<u>\$1,819,389,499</u>	3.8%	<u>\$2,258,650,058</u>	24.1%	<u>\$2,461,588,733</u>	9.0%

ADJUSTMENTS TO THE ECONOMIC FORUM MAY 1, 2003 FORECAST FOR THE 2003-05 BIENNIUM BASED ON MEASURES APPROVED BY THE 2003 LEGISLATURE (72nd SESSION and 20th SPECIAL SESSION)

NOTES (Estimates prepared by the Fiscal Analysis Division, unless noted otherwise):

- [1.] 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. In addition to this revenue, a reduction of \$6.0 million in FY 2004 and \$6.3 million in FY 2005 was realized in the General Fund appropriation to the Distributive School Account as the result of enacting A.B. 4.
- [2.] 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.] 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.] 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.
- [4b.] S.B. 8 (20th S.S.) repealed CET and replaced by 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.] 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.] 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.] 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.] 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.] 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.] 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.] 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.] 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 (exempting first branch), effective January 1, 2004.
- [13.] 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.] 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.] S.B. 428 (72nd 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. [Estimates prepared by Real Estate Division of the Department of Business & Industry]
- [16.] A.B. 493 (72nd 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 July 1, 2003. Previously, the revenues from the fees were deposited in the state general fund. [Estimates prepared by the Division of Financial Institutions]
- [17.] A.B. 550 (72nd 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. [Estimates prepared by the Health Division of the Department of Human Resources]
- [18.] S.B. 504 (72nd 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.

GENERAL FUND REVENUES PROJECTED FOR FY 2004 AND FY 2005

ECONOMIC FORUM MAY 1, 2003 FORECAST WITH ADJUSTMENTS FOR LEGISLATIVE ACTIONS APPROVED BY THE 2003 LEGISLATURE (72nd Session and 20th Special Session)

DESCRIPTION	FISCAL YEAR 2004 [a.]								FISCAL YEAR 2005							
	Economic Forum			2003 Session Legislative Actions	EF Forecast + Leg. Actions			Economic Forum			2003 Session Legislative Actions	EF Forecast + Leg. Actions				
	May 2003 Forecast	% Change	% of Total		Adjusted Forecast	% Change	% of Total	May 2003 Forecast	% Change	% of Total		Adjusted Forecast	% Change	% of Total		
TAXES																
TOTAL MINING TAXES	\$11,433,000	1.8%	0.6%		\$11,433,000	1.8%	0.5%	\$11,616,000	1.6%	0.6%		\$11,616,000	1.6%	0.5%		
TOTAL SALES AND USE TAX ^[1.]	\$722,902,000	5.1%	38.0%	\$5,490,000	\$728,392,000	5.9%	32.2%	\$763,385,000	5.6%	38.2%	\$5,798,000	\$769,183,000	5.6%	31.2%		
TOTAL GAMING TAX ^[2.] ^[3.]	\$630,202,300	3.5%	33.1%	\$43,291,000	\$673,493,300	10.6%	29.8%	\$659,024,300	4.6%	33.0%	\$53,530,000	\$712,554,300	5.8%	28.9%		
CASINO/LIVE ENTERTAINMENT TAX ^[4a.] ^[4b.]	\$76,088,000	7.3%	4.0%	\$41,460,000	\$117,548,000	65.8%	5.2%	\$81,414,000	7.0%	4.1%	\$75,426,000	\$156,840,000	33.4%	6.4%		
INSURANCE PREMIUM TAX	\$179,881,000	7.0%	9.5%		\$179,881,000	7.0%	8.0%	\$192,458,000	7.0%	9.6%		\$192,458,000	7.0%	7.8%		
LIQUOR TAX ^[5.]	\$16,881,200	2.7%	0.9%	\$14,607,000	\$31,488,200	91.6%	1.4%	\$17,329,400	2.7%	0.9%	\$16,358,000	\$33,687,400	7.0%	1.4%		
CIGARETTE TAX ^[6.]	\$41,844,000		2.2%	\$65,806,000	\$107,650,000	157.3%	4.8%	\$41,844,000		2.1%	\$72,931,000	\$114,775,000	6.6%	4.7%		
OTHER TOBACCO TAX ^[7.]	\$5,894,100	1.0%	0.3%	\$83,000	\$5,977,100	2.4%	0.3%	\$5,953,100	1.0%	0.3%	\$91,000	\$6,044,100	1.1%	0.2%		
LAETRILE & GEROVITAL MFG. HECC TRANSFER	\$5,000,000		0.3%		\$5,000,000		0.2%	\$5,000,000		0.3%		\$5,000,000		0.2%		
BUSINESS LICENSE FEE ^[8.]	\$650,000		0.0%	\$22,079,000	\$22,729,000	3396.8%	1.0%	\$650,000		0.0%	\$24,533,000	\$25,183,000	10.8%	1.0%		
BUSINESS LICENSE TAX ^[9.]	\$81,232,000	3.2%	4.3%	-\$60,924,000	\$20,308,000	-74.2%	0.9%	\$83,837,000	3.2%	4.2%	-\$83,837,000					
MODIFIED BUSINESS TAX-NONFINANCIAL BUSINESSES ^[10.]				\$139,688,000	\$139,688,000		6.2%				\$181,786,000	\$181,786,000	30.1%	7.4%		
MODIFIED BUSINESS TAX - FINANCIAL BUSINESSES ^[11.]				\$15,469,000	\$15,469,000		0.7%				\$21,386,000	\$21,386,000	38.3%	0.9%		
BRANCH BANK EXCISE TAX ^[12.]				\$1,302,000	\$1,302,000		0.1%				\$2,604,000	\$2,604,000	100.0%	0.1%		
REAL PROPERTY TRANSFER TAX ^[13.]				\$51,423,000	\$51,423,000		2.3%				\$69,936,000	\$69,936,000	36.0%	2.8%		
TOTAL TAXES	\$1,772,007,600	4.5%	93.2%	\$339,774,000	\$2,111,781,600	24.6%	93.5%	\$1,862,510,800	5.1%	93.2%	\$440,542,000	\$2,303,052,800	9.1%	93.6%		
LICENSES																
INSURANCE LICENSES	\$9,430,400	4.5%	0.5%		\$9,430,400	4.5%	0.4%	\$9,854,700	4.5%	0.5%		\$9,854,700	4.5%	0.4%		
BANKING LICENSES ^[16.]	\$20,000		0.0%	-\$20,000			0.0%	\$20,000		0.0%	-\$20,000					
MARRIAGE LICENSES	\$616,700	3.5%	0.0%		\$616,700	3.5%	0.0%	\$635,900	3.1%	0.0%		\$635,900	3.1%	0.0%		
TOTAL SECRETARY OF STATE ^[14.]	\$55,495,400	2.4%	2.9%	\$18,900,000	\$74,395,400	37.3%	3.3%	\$56,851,600	2.4%	2.8%	\$25,208,000	\$82,059,600	10.3%	3.3%		
PRIVATE SCHOOL LICENSES	\$202,000	5.8%	0.0%		\$202,000	5.8%	0.0%	\$213,000	5.4%	0.0%		\$213,000	5.4%	0.0%		
PRIVATE EMPLOYMENT AGENCY	\$27,000	-0.7%	0.0%		\$27,000	-0.7%	0.0%	\$26,000	-3.7%	0.0%		\$26,000	-3.7%	0.0%		
TOTAL REAL ESTATE ^[15.] ^[16.]	\$1,778,300	16.6%	0.1%	\$145,441	\$1,923,741	26.1%	0.1%	\$1,606,300	-9.7%	0.1%	\$130,824	\$1,737,124	-9.7%	0.1%		
TOTAL FINANCIAL INSTITUTIONS ^[16.]	\$1,969,500		0.1%	-\$1,969,500			0.1%	\$1,969,500		0.1%	-\$1,969,500					
ATHLETIC COMMISSION FEES	\$1,500,000	-23.1%	0.1%		\$1,500,000	-23.1%	0.1%	\$1,500,000		0.1%		\$1,500,000		0.1%		
TOTAL LICENSES	\$71,039,300	2.2%	3.7%	\$17,055,941	\$88,095,241	26.8%	3.9%	\$72,677,000	2.3%	3.6%	\$23,349,324	\$96,026,324	9.0%	3.9%		

NOTES:

- [a.] % Change for FY 2004 Economic Forum May 1, 2003 forecast and Economic Forum Forecast with adjustment for Legislative Actions based on Economic Forum May 1, 2003 forecast for FY 2003.
- [1.] 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. In addition to this revenue, a reduction of \$6.0 million in FY 2004 and \$6.3 million in FY 2005 was realized in the General Fund appropriation to the Distributive School Account as the result of enacting A.B. 4.
- [2.] 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.] 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.] 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.
- [4b.] S.B. 8 (20th S.S.) repealed CET and replaced by 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.] 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.] 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.] 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.] 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.

GENERAL FUND REVENUES PROJECTED FOR FY 2004 AND FY 2005

ECONOMIC FORUM MAY 1, 2003 FORECAST WITH ADJUSTMENTS FOR LEGISLATIVE ACTIONS APPROVED BY THE 2003 LEGISLATURE (72nd Session and 20th Special Session)

DESCRIPTION	FISCAL YEAR 2004 [a.]							FISCAL YEAR 2005						
	Economic Forum			2003 Session	EF Forecast + Leg. Actions			Economic Forum			2003 Session	EF Forecast + Leg. Actions		
	May 2003	%	% of	Legislative	Adjusted	%	% of	May 2003	%	% of	Legislative	Adjusted	%	% of
	Forecast	Change	Total		Forecast	Change	Total	Forecast	Change	Total		Forecast	Change	Total
FEES AND FINES														
VITAL STATISTICS FEES ^[17.]	\$681,500	4.3%	0.0%	\$235,955	\$917,455	40.4%	0.0%	\$706,700	3.7%	0.0%	\$333,776	\$1,040,476	13.4%	0.0%
DIVORCE FEES	\$207,000	3.0%	0.0%		\$207,000	3.0%	0.0%	\$212,600	2.7%	0.0%		\$212,600	2.7%	0.0%
CIVIL ACTION FEES	\$1,346,700	3.4%	0.1%		\$1,346,700	3.4%	0.1%	\$1,386,800	3.0%	0.1%		\$1,386,800	3.0%	0.1%
INSURANCE FINES	\$434,000		0.0%		\$434,000		0.0%	\$434,000		0.0%		\$434,000		0.0%
TOTAL REAL ESTATE FEES	\$410,425	-1.3%	0.0%		\$410,425	-1.3%	0.0%	\$415,225	1.2%	0.0%		\$415,225	1.2%	0.0%
SHORT TERM CAR LEASE	\$23,154,000	2.0%	1.2%		\$23,154,000	2.0%	1.0%	\$23,617,000	2.0%	1.2%		\$23,617,000	2.0%	1.0%
ATHLETIC COMMISSION LICENSES/FINES	\$150,000	-25.0%	0.0%		\$150,000	-25.0%	0.0%	\$150,000		0.0%		\$150,000		0.0%
WATER PLANNING FEES														
STATE ENGINEER SALES	\$1,600,000		0.1%		\$1,600,000		0.1%	\$1,600,000		0.1%		\$1,600,000		0.1%
SUPREME COURT FEES	\$200,000		0.0%		\$200,000		0.0%	\$200,000		0.0%		\$200,000		0.0%
MISC. FINES/FORFEITURES	\$175,400		0.0%		\$175,400	0.7%	0.0%	\$176,700	0.7%	0.0%		\$176,700	0.7%	0.0%
TOTAL FEES AND FINES	\$28,359,025	1.7%	1.5%	\$235,955	\$28,594,980	2.6%	1.3%	\$28,899,025	1.9%	1.4%	\$333,776	\$29,232,801	2.2%	1.2%
USE OF MONEY AND PROPERTY														
LYON COUNTY REPAYMENTS														
OTHER REPAYMENTS ^[18.]	\$2,027,137		0.1%	-\$19,872	\$2,007,265	-13.1%	0.1%	\$2,027,137		0.1%	-\$19,872	\$2,007,265		0.1%
MARLETTE REPAYMENT	\$10,512		0.0%		\$10,512		0.0%	\$10,512		0.0%		\$10,512		0.0%
INTEREST INCOME	\$4,050,300	-34.5%	0.2%		\$4,050,300	-34.5%	0.2%	\$5,895,300	45.6%	0.3%		\$5,895,300	45.6%	0.2%
TOTAL USE OF MONEY & PROPERTY	\$6,087,949	-28.4%	0.3%	-\$19,872	\$6,068,077	-28.6%	0.3%	\$7,932,949	30.3%	0.4%	-\$19,872	\$7,913,077	30.4%	0.3%
OTHER REVENUE														
HOOVER DAM REVENUE	\$300,000		0.0%		\$300,000		0.0%	\$300,000		0.0%		\$300,000		0.0%
MISC. SALES AND REFUNDS	\$1,013,700	14.7%	0.1%		\$1,013,700	14.7%	0.0%	\$976,400	-3.7%	0.0%		\$976,400	-3.7%	0.0%
COST RECOVERY PLAN	\$9,722,300	94.7%	0.5%		\$9,722,300	94.7%	0.4%	\$9,735,451	0.1%	0.5%		\$9,735,451	0.1%	0.4%
PETROLEUM INSPECTION FEES	\$567,260	3.0%	0.0%		\$567,260	3.0%	0.0%	\$584,280	3.0%	0.0%		\$584,280	3.0%	0.0%
UNCLAIMED PROPERTY	\$12,506,900	8.5%	0.7%		\$12,506,900	8.5%	0.6%	\$13,767,600	10.1%	0.7%		\$13,767,600	10.1%	0.6%
TOTAL OTHER REVENUE	\$24,110,160	32.1%	1.3%		\$24,110,160	32.1%	1.1%	\$25,363,731	5.2%	1.3%		\$25,363,731	5.2%	1.0%
TOTAL GENERAL FUND REVENUE	\$1,901,604,034	4.5%	100.0%	\$357,046,024	\$2,258,650,058	24.1%	100.0%	\$1,997,383,505	5.0%	100.0%	\$464,205,228	\$2,461,588,733	9.0%	100.0%

NOTES:

[a.] % Change for FY 2004 Economic Forum May 1, 2003 forecast and Economic Forum Forecast with adjustment for Legislative Actions based on Economic Forum May 1, 2003 forecast for FY 2003.

[9.] 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.] 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.] 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.] 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 (exempting first branch), effective January 1, 2004.

[13.] 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.] 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.] S.B. 428 (72nd 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.

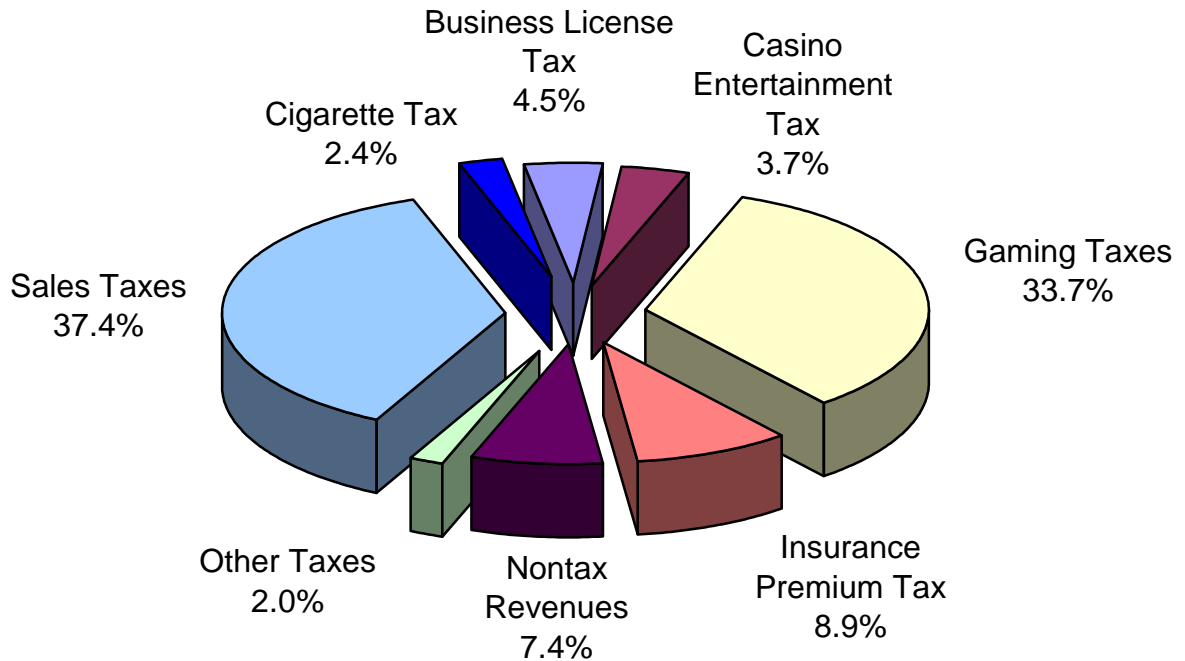
[16.] A.B. 493 (72nd Session) established that revenues from fees collected by the Division of Financial Institutions of the Department of Business & Industry will be deposited in a separate fund to pay the expenses related to the operations of the Commissioner of Financial Institutions and the Division of Financial Institutions, effective July 1, 2003. Previously, the revenues from the fees were deposited in the state general fund.

[17.] A.B. 550 (72nd 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.] S.B. 504 (72nd 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.

NEVADA GENERAL FUND REVENUE

ACTUAL BY SOURCE, FY 2001-02

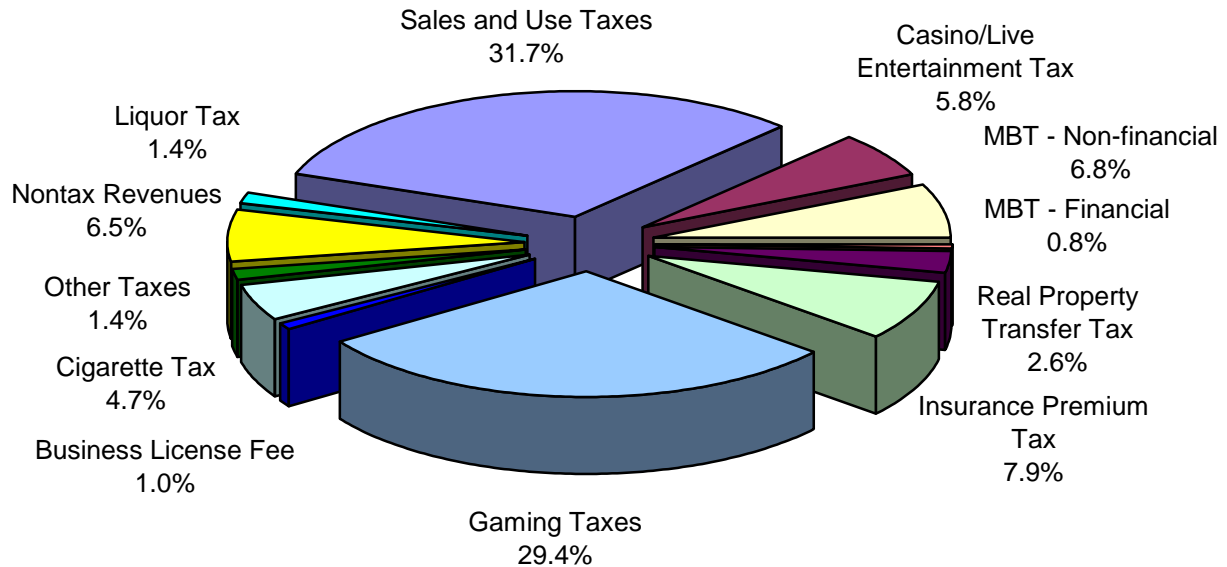


ACTUAL GENERAL FUND REVENUE - FY 2001-02

	<u>Millions \$'s</u>	<u>% of Total</u>		<u>Millions \$'s</u>	<u>% of Total</u>
State Gaming Taxes	\$589.8	33.7%	Nontax Revenues		
Casino Entertainment Tax	\$64.8	3.7%	Licenses	\$63.9	3.7%
Subtotal Gaming Taxes	\$654.6	37.4%	Fees and Fines	\$24.9	1.4%
Sales and Use Taxes	\$655.1	37.4%	Use of Money and Property	\$13.4	0.8%
Business License Tax	\$79.1	4.5%	Miscellaneous Revenues	\$26.6	1.5%
Insurance Premium Tax	\$156.6	8.9%	Subtotal Nontax Revenues	\$128.8	7.4%
Cigarette Tax	\$41.8	2.4%			
Other Taxes					
Mining Tax	\$9.4	0.5%			
Liquor Tax	\$16.0	0.9%			
Annual Slot Tax Transfer	\$5.0	0.3%			
Tobacco & Other Taxes	\$5.6	0.3%			
Subtotal Other Taxes	\$36.0	2.0%			
Subtotal All Taxes	\$1,623.1	92.6%	Total General Fund	\$1,751.9	100.0%

NEVADA GENERAL FUND REVENUE

ADJUSTED* ECONOMIC FORUM FORECAST, 2003-05 BIENNIUM



ESTIMATED GENERAL FUND REVENUE - 2003-05 BIENNIUM

ADJUSTED* ECONOMIC FORUM MAY 1, 2003 FORECAST

	Millions \$'s	% of Total		Millions \$'s	% of Total
State Gaming Taxes	\$1,386.0	29.4%	Other Taxes:		
Sales and Use Taxes	\$1,497.6	31.7%	Business License Tax (b)	\$20.3	0.4%
Insurance Premium Tax	\$372.3	7.9%	Mining Tax	\$23.0	0.4%
Cigarette Tax	\$222.4	4.7%	Annual Slot Tax Transfer	\$10.0	0.2%
Casino/Live Entertainment Tax (a) (b):			Tobacco & Other Taxes	\$12.0	0.3%
Gaming Establishments	\$189.4	4.0%	Branch Bank Excise Tax (a)	\$3.9	0.1%
Non-Gaming Establishments	\$84.9	1.8%	Subtotal Other Taxes	\$69.2	1.4%
Modified Business Tax (MBT) (a):			Subtotal Taxes	\$4,414.8	93.5%
Non-Financial Institutions	\$321.5	6.8%	Nontax Revenues		
Financial Institutions	\$36.9	0.8%	Licenses	\$184.1	3.9%
Real Property Transfer Tax (a)	\$121.4	2.6%	Fees and Fines	\$57.8	1.2%
Business License Fee (a)	\$47.9	1.0%	Use of Money and Property	\$14.0	0.3%
Liquor Tax	\$65.2	1.4%	Miscellaneous Revenues	\$49.5	1.1%
			Subtotal Nontax Revenues	\$305.4	6.5%
			Total General Fund	\$4,720.2	100.0%

* Adjusted for Legislative actions approved by the 2003 Legislature (72nd Session and 20th Special Session)

(a) New state taxes approved by the 2003 Legislature (A.B. 4 and S.B. 8 - 20th Special Session)

(b) Taxes repealed by the 2003 Legislature (S.B. 8 - 20th Special Session)

