

GENERAL FUND REVENUE ESTIMATES AND PROJECTED UNAPPROPRIATED GENERAL FUND BALANCES

The 2005 Legislature (includes the 22nd Special Session) approved a General Fund operating budget for the 2005-07 biennium that totals \$5.798 billion. The Governor recommended an operating budget that totaled \$5.712 billion or approximately \$85.9 million less than was approved by the 2005 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 of odd-numbered years. The Governor's proposed budget was based on the Economic Forum's December 2004 revenue forecast. The legislatively-approved budget was based on the May 2005 revised revenue forecast which was adjusted downward by a net amount of \$36.3 million based on actions of the 2005 Legislature. These actions, which are addressed in the Tax Policy section of the Appropriations Report, lowered revenues generated primarily from the Business License Fee, Modified Business Tax, and Unclaimed Property receipts. After adjusting for the revenue changes approved by the 2005 Legislature, the May 2005 revenue forecast increased by \$85.6 million in FY 2004-05 and \$143.8 million over the 2005-07 biennium when compared to the December 2004 forecast.

The schedules that follow present the projected appropriated General Fund balance at the close of FY 2004-05, FY 2005-06 and FY 2006-07 and recap the revenue forecast upon which the 2005-07 budget was based. Including the revenue reductions approved by the 2005 Legislature, total General Fund revenues are forecast to increase by 3.8 percent in FY 2005-06 (includes loss of estate tax revenues transferred from the Nevada System of Higher Education during FY 2004-05) and 5.5 percent in FY 2006-07. The state's two largest revenue sources, sales tax and gaming taxes, are projected to account for approximately 60.5 percent for all General Fund revenues during the 2005-07 biennium (does not include Live Entertainment Tax). Sales taxes are projected to increase by 6.0 percent in both FY 2005-06 and FY 2006-07, while gaming taxes are projected to grow by 4.1 percent in FY 2005-06 and 5.1 percent in FY 2006-07.

The budget approved by the Legislature projects a General Fund balance of \$168.5 million at the end of the 2005-07 biennium compared to the projected balance of \$151.9 million in The Executive Budget. In addition to the expected surplus at the end of FY 2006-07, with the appropriations approved in FY 2005-06 and FY 2006-07, the balance in the Rainy Day Fund is projected to increase from approximately \$123.6 million on June 30, 2005 to approximately \$194.6 million at the end of the 2005-07 biennium. The balance in the Rainy Day Fund, along with the projected General Fund balance, will be available to meet future financial emergencies.

STATEMENT OF PROJECTED UNAPPROPRIATED GENERAL FUND BALANCE
FY 2003-04, FY 2004-05, FY 2005-06, and FY 2006-07

FY 2003-04	LEGISLATURE APPROVES	ACTUAL	DIFFERENCE
Unappropriated Balance - July 1, 2003	\$ 100,379,792	\$ 107,503,157	\$ 7,123,365
Projected Revenue FY 2003-04 - Economic Forum Projection of May 2003/Actual FY 2004	\$ 2,260,650,058	\$ 2,404,005,956	\$ 143,355,898
Repayment of Outstanding General Fund Advances	\$ -	\$ 44,332	\$ 44,332
Deposit Estate Tax Revenue in General Fund - UCCSN (S.B. 415; Chapter 428)	\$ 45,836,551	\$ 45,836,551	\$ -
Projected/Actual Reversions	\$ 46,964,000	\$ 52,989,444	\$ 6,025,444
Total Funds Available	\$ 2,353,450,609	\$ 2,502,876,283	\$ 149,425,674
Less Appropriations:			
2003-04 Ongoing Appropriations	\$ (1,556,348,888)	\$ (1,556,348,888)	\$ -
2003-04 Distributive School Account	\$ (637,789,627)	\$ (637,789,627)	\$ -
2003-04 Class Size Reduction	\$ (108,937,389)	\$ (108,937,389)	\$ -
2003-04 One-Time Appropriations	\$ (8,815,000)	\$ (8,815,000)	\$ -
2003-04 Restore Fund Balance (IFC)	\$ (8,092,456)	\$ (8,092,456)	\$ -
2003-04 Appropriations Transferred to 2004-05	\$ -	\$ 4,463,003	\$ 4,463,003
Cost of 20th Special Session (S.B. 1; Chapter 1 & S.B. 7, Chapter 16)	\$ (450,000)	\$ (450,000)	\$ -
Total FY 2003-04 Appropriations	\$ (2,320,433,360)	\$ (2,315,970,357)	\$ 4,463,003
Controller's Adjustments	\$ -	\$ (2,022,105)	\$ (2,022,105)
Transfer to Disaster Relief Account (NRS 353.288/2735)	\$ -	\$ (536,388)	\$ (536,388)
Total Unappropriated Balance July 1, 2004	\$ 133,397,041	\$ 291,850,590 ^a	\$ 158,453,549
Transfer to Stabilize Operation of State Government	\$ -	\$ (70,609,836) ^b	\$ (70,609,836)
FY 2004-05	GOVERNOR RECOMMENDS	LEGISLATURE APPROVES	DIFFERENCE
Unappropriated Balance July 1, 2004	\$ 221,240,754 ^a	\$ 221,240,754 ^a	\$ -
Projected Revenues 2004-05 Per Economic Forum December 2004/May 2005	\$ 2,637,249,565	\$ 2,722,824,285	\$ 85,574,720
Deposit Estate Tax Revenue in General Fund - UCCSN (S.B. 415; Chapter 428)	\$ 43,398,297	\$ 43,398,297	\$ -
Projected Reversions 2004-05	\$ 199,720,000	\$ 221,718,310	\$ 21,998,310
Total Funds Available	\$ 2,880,367,862	\$ 2,987,940,892	\$ 107,573,030
Less Appropriations:			
FY 2004-05 Operating Appropriations	\$ (1,647,562,294)	\$ (1,647,562,294)	\$ -
2004-05 Distributive School Account	\$ (767,086,697)	\$ (767,086,697)	\$ -
2004-05 Class Size Reduction	\$ (117,142,553)	\$ (117,142,553)	\$ -
2003-04 Appropriations Transferred to 2004-05	\$ (4,463,003)	\$ (4,463,003)	\$ -
Cost of 21st Special Session (S.B. 1)	\$ (250,000)	\$ (250,000)	\$ -
2004-05 Contingent Appropriations	\$ (50,350,000)	\$ (50,350,000)	\$ -
2004-05 Restore Fund Balances	\$ (19,000,000)	\$ (19,000,000)	\$ -
2004-05 Supplemental Appropriations	\$ (17,024,938)	\$ (39,086,577)	\$ (22,061,639)
2004-05 One-Time Appropriations	\$ (27,155,934)	\$ (47,004,301)	\$ (19,848,367)
2004-05 Millennium Scholarship Trust Fund	\$ -	\$ (35,000,000)	\$ (35,000,000)
2004-05 Capital Improvement Program	\$ -	\$ (30,172,106)	\$ (30,172,106)
2004-05 Rebate	\$ (300,000,000)	\$ (300,000,000)	\$ -
Cost of the 2005 Session	\$ (17,500,000)	\$ (17,100,000)	\$ 400,000
Total FY 2004-05 Appropriations	\$ (2,967,535,419)	\$ (3,074,217,531)	\$ (106,682,112)
Transfer to Disaster Relief Account (NRS 353.288/2735)	\$ (2,000,000)	\$ (2,000,000)	\$ -
Total Estimated Unappropriated General Fund Balance July 1, 2005	\$ 132,073,197	\$ 132,964,115	\$ 890,918
Transfer to Stabilize Operation of State Government	\$ (1,763,689)	\$ (1,678,824)	\$ 84,866

**STATEMENT OF PROJECTED UNAPPROPRIATED GENERAL FUND BALANCE
FY 2003-04, FY 2004-05, FY 2005-06, and FY 2006-07**

FY 2005-06	GOVERNOR RECOMMENDS	LEGISLATURE APPROVES	DIFFERENCE
Unappropriated Balance July 1, 2005	\$ 130,309,508	\$ 131,285,291	\$ 975,784
Projected Revenues 2005-06 Per Economic Forum December 2004/May 2005	\$ 2,793,399,380	\$ 2,888,539,173	\$ 95,139,793
Projected Revenue Revisions (A.B. 554, S.B. 357, S.B. 390, S.B. 391, S.B. 523 & S.B. 3 [22nd SS])	\$ -	\$ (9,755,504)	\$ (9,755,504)
Transfer to Millennium Scholarship Trust Fund (S.B. 4, 22nd SS)	\$ (7,600,000)	\$ (7,600,000)	\$ -
Projected Reversions	\$ 55,340,000	\$ 55,340,000	\$ -
Total Funds Available	\$ 2,841,139,380	\$ 2,926,523,669	\$ 85,384,289
Less Appropriations			
2005-06 Ongoing Appropriations	\$ (1,940,940,107)	\$ (1,919,831,912)	\$ 21,108,195
2005-06 Distributive School Account	\$ (702,065,382)	\$ (724,135,261)	\$ (22,069,879)
2005-06 IFC - Unexpected Cost of Health Insurance for School District Employees	\$ -	\$ (4,000,000)	\$ (4,000,000)
2005-06 Class Size Reduction	\$ (125,248,620)	\$ (125,552,187)	\$ (303,567)
2005-06 One-Time Appropriations	\$ -	\$ (38,347,592)	\$ (38,347,592)
2005-06 Fund to Stabilize Operation of State Government	\$ (3,000,000)	\$ (37,000,000)	\$ (34,000,000)
2005-06 Capital Improvement Program	\$ (52,000,000)	\$ (53,623,972)	\$ (1,623,972)
Total FY 2005-06 Appropriations	\$ (2,823,254,109)	\$ (2,902,490,924)	\$ (79,236,815)
Transfer to Disaster Relief Account (NRS 353.288/2735)	\$ (2,000,000)	\$ (2,000,000)	\$ -
Total Estimated Unappropriated General Fund Balance July 1, 2006	\$ 146,194,779	\$ 153,318,036	\$ 7,123,258
Transfer to Stabilize Operation of State Government	\$ (3,112,829)	\$ - ^c	\$ 3,112,829
FY 2006-07	GOVERNOR RECOMMENDS	LEGISLATURE APPROVES	DIFFERENCE
Unappropriated Balance July 1, 2006	\$ 143,081,950	\$ 153,318,036	\$ 10,236,087
Projected Revenues 2006-07 Per Economic Forum December 2004/May 2005	\$ 2,963,425,747	\$ 3,048,404,040	\$ 84,978,293
Projected Revenue Revisions (A.B. 554, S.B. 357, S.B. 390, S.B. 391, S.B. 523 & S.B. 3 [22nd SS])	\$ -	\$ (11,318,883)	\$ (11,318,883)
Transfer to Millennium Scholarship Trust Fund (S.B. 4, 22nd SS)	\$ (7,600,000)	\$ (7,600,000)	\$ -
Projected Reversions	\$ 88,370,000	\$ 88,370,000	\$ -
Total Estimated Revenue & Reversions 2004-05	\$ 3,044,195,747	\$ 3,117,855,157	\$ 73,659,410
Less Appropriations:			
2006-07 Ongoing Appropriations	\$ (2,061,796,927)	\$ (2,060,830,171)	\$ 966,756
2006-07 Distributive School Account	\$ (747,012,998)	\$ (825,642,294)	\$ (78,629,296)
2006-07 Class-Size Reduction	\$ (134,953,490)	\$ (137,922,619)	\$ (2,969,129)
2006-07 One-Time Appropriations	\$ -	\$ (23,807,077)	\$ (23,807,077)
2006-07 Fund to Stabilize Operation of State Government	\$ (68,000,000)	\$ (34,000,000)	\$ 34,000,000
Projected Cost of the 2007 Legislative Session	\$ (18,500,000)	\$ (18,500,000)	\$ -
Total FY 2006-07 Appropriations	\$ (3,030,263,415)	\$ (3,100,702,161)	\$ (70,438,746)
Transfer to Disaster Relief Account (NRS 353.288/2735)	\$ (2,000,000)	\$ (2,000,000)	\$ -
Total Estimated Unappropriated General Fund Balance July 1, 2007	\$ 155,014,282	\$ 168,471,032	\$ 13,456,751
Transfer to Stabilize Operation of State Government	\$ (3,130,444)	\$ - ^c	\$ 3,130,444
Total Estimated Unappropriated General Fund Balance July 1, 2007 Following Transfer	\$ 151,883,837	\$ 168,471,032	\$ 16,587,195

^a. Subject to reconciliation with the Fiscal Division and the 2003-04 Controller's Annual Report; does not include \$136,340,970 in the Stabilization Fund (NRS 353.288).

^b. Calculated by State Controller's Office.

^c. S.B. 95 increased the threshold for the trigger to transfer to the Stabilization Fund from 5% to 10% of ongoing appropriations.

GENERAL FUND REVENUES - ECONOMIC FORUM MAY 2, 2005 FORECAST
ACTUAL: FY 2001 THROUGH FY 2004 AND FORECAST: FY 2005 THROUGH FY 2007
FY 2006 AND FY 2007 ECONOMIC FORUM FORECAST ADJUSTED FOR LEGISLATIVE ACTIONS APPROVED BY THE 2005 LEGISLATURE (73rd SESSION and 22nd SPECIAL SESSION)

DESCRIPTION	FY 2001		FY 2002		FY 2003		FY 2004		MAY 2, 2005 ECONOMIC FORUM FORECAST					
	ACTUAL	% Change	ACTUAL	% Change	ACTUAL	% Change	ACTUAL [a.]	% Change	FY 2005 FORECAST	% Change	FY 2006 FORECAST	% Change	FY 2007 FORECAST	% Change
TAXES														
TOTAL MINING TAXES	\$14,672,692	9.1%	\$9,418,008	-35.8%	\$10,641,100	13.0%	\$16,817,927	58.0%	\$15,255,500	-9.3%	\$15,232,000	-0.2%	\$15,850,000	4.1%
TOTAL SALES AND USE TAX [1-FY04]	\$645,767,621	5.9%	\$655,068,480	1.4%	\$693,528,823	5.9%	\$790,602,667	14.0%	\$896,543,000	13.4%	\$950,335,000	6.0%	\$1,007,354,000	6.0%
TOTAL GAMING TAXES [2-FY04][3-FY04][1-FY06]	\$604,464,065	2.0%	\$589,803,811	-2.4%	\$596,260,210	1.1%	\$714,653,673	19.9%	\$756,342,200	5.8%	\$786,991,600	4.1%	\$826,940,500	5.1%
CASINO/LIVE ENTERTAINMENT TAX [4a-FY04][4b-FY04][2-FY06]	\$63,919,196	9.2%	\$64,817,715	1.4%	\$70,212,815	8.3%	\$89,201,827	27.0%	\$107,248,000	20.2%	\$136,247,000	27.0%	\$147,926,000	8.6%
INSURANCE PREMIUM TAX	\$146,925,032	13.6%	\$156,550,893	6.6%	\$174,135,736	11.2%	\$194,457,058	11.7%	\$213,369,000	9.7%	\$234,980,000	10.1%	\$258,061,000	9.8%
LIQUOR TAX [5-FY04]	\$15,745,514	0.5%	\$15,995,650	1.6%	\$16,531,358	3.3%	\$33,025,941	99.8%	\$36,214,000	9.7%	\$37,309,000	3.0%	\$38,377,000	2.9%
CIGARETTE TAX [6-FY04]	\$43,691,552	3.5%	\$41,843,892	-4.2%	\$44,019,969	5.2%	\$106,770,729	142.6%	\$115,188,000	7.9%	\$115,188,000		\$115,188,000	
OTHER TOBACCO TAX [7-FY04]	\$5,602,823	-6.0%	\$5,557,893	-0.8%	\$5,916,301	6.4%	\$6,927,276	17.1%	\$7,342,900	6.0%	\$7,746,800	5.5%	\$8,134,100	5.0%
LAETRILE & GEROVITAL MFG.	\$2,692	-28.7%												
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]	\$523,072	1.8%	\$680,845	30.2%	\$739,561	8.6%	\$11,851,752		\$16,000,000	35.0%	\$17,159,420	7.2%	\$23,098,884	34.6%
BUSINESS LICENSE TAX [9-FY04]	\$77,270,722	1.8%	\$78,394,651	1.5%	\$79,026,132	0.8%	\$22,216,500	-71.9%	\$1,210,000		\$500,000		\$250,000	
MODIFIED BUSINESS TAX														
MBT-NONFINANCIAL [10-FY04][5-FY06][6-FY06]							\$146,161,812		\$209,985,000	43.7%	\$220,381,168	5.0%	\$235,270,237	6.8%
MBT-FINANCIAL [11-FY04][5-FY06]							\$15,462,677		\$18,662,000	20.5%	\$18,462,200	-1.1%	\$19,424,500	5.2%
BRANCH BANK EXCISE TAX [12-FY04][7-FY06]							\$1,508,192		\$3,071,000	103.6%	\$2,716,000	-11.6%	\$2,744,000	1.0%
REAL PROPERTY TRANSFER TAX [13-FY04][8-FY06]							\$88,024,738		\$144,524,000	64.2%	\$142,125,708	-1.7%	\$137,579,496	-3.2%
TOTAL TAXES	\$1,623,584,982	4.8%	\$1,623,131,839	0.0%	\$1,696,012,005	4.5%	\$2,242,707,768	32.2%	\$2,545,954,600	13.5%	\$2,690,373,896	5.7%	\$2,841,197,717	5.6%
LICENSES														
INSURANCE LICENSES	\$6,889,858	6.2%	\$7,806,594	13.3%	\$10,076,143	29.1%	\$10,578,744	5.0%	\$11,128,800	5.2%	\$12,241,700	10.0%	\$12,878,300	5.2%
BANKING LICENSES [1-FY01][16-FY04]	\$23,785	35.7%	\$23,600	-0.8%	\$20,400	-13.6%								
MARRIAGE LICENSES	\$638,691	3.5%	\$587,774	-8.0%	\$587,712	0.0%	\$594,588	1.2%	\$609,800	2.6%	\$629,700	3.3%	\$645,300	2.5%
TOTAL SECRETARY OF STATE [1-FY02][14-FY04]	\$36,442,206	3.4%	\$50,064,820	37.4%	\$54,026,461	7.9%	\$75,312,846	39.4%	\$79,847,000	6.0%	\$86,677,000	8.6%	\$94,307,000	8.8%
PRIVATE SCHOOL LICENSES	\$156,485	9.8%	\$181,009	15.7%	\$207,145	14.4%	\$251,705	21.5%	\$264,000	4.9%	\$278,000	5.3%	\$287,000	3.2%
PRIVATE EMPLOYMENT AGENCY	\$29,800	-5.4%	\$29,000	-2.7%	\$29,100	0.3%	\$26,000	-10.7%	\$18,500	-28.8%	\$18,500		\$18,500	
TOTAL REAL ESTATE [2-FY02][15-FY04][16-FY04]	\$1,451,867	-4.4%	\$1,690,734	16.5%	\$1,548,788	-8.4%	\$2,653,740	71.3%	\$2,429,200	-8.5%	\$2,805,750	15.5%	\$2,568,750	-8.4%
TOTAL FINANCIAL INSTITUTIONS [1-FY01][16-FY04]	\$1,626,149	7.5%	\$1,795,162	10.4%	\$1,926,415	7.3%								
ATHLETIC COMMISSION FEES [5-FY02]	\$2,853,655	1.2%	\$1,706,730	-40.2%	\$1,901,357	11.4%	\$2,258,306	18.8%	\$2,000,000	-11.4%	\$2,000,000		\$2,000,000	
TOTAL LICENSES	\$50,112,496	3.6%	\$63,885,422	27.5%	\$70,323,520	10.1%	\$91,675,929	30.4%	\$96,297,300	5.0%	\$104,650,650	8.7%	\$112,704,850	7.7%
FEES AND FINES														
VITAL STATISTICS FEES [17-FY04]	\$534,243	2.1%	\$576,967	8.0%	\$647,213	12.2%	\$759,587	17.4%	\$806,400	6.2%	\$846,700	5.0%	\$889,000	5.0%
DIVORCE FEES	\$203,454	1.4%	\$196,953	-3.2%	\$201,070	2.1%	\$205,535	2.2%	\$197,000	-4.2%	\$202,500	2.8%	\$208,200	2.8%
CIVIL ACTION FEES	\$1,215,362	2.0%	\$1,250,147	2.9%	\$1,322,518	5.8%	\$1,376,653	4.1%	\$1,399,900	1.7%	\$1,438,700	2.8%	\$1,477,400	2.7%
INSURANCE FEES	\$537,507	-27.2%	\$719,183	33.8%	\$617,132	-14.2%	\$624,149	1.1%	\$603,300	-3.3%	\$603,300		\$603,300	
TOTAL REAL ESTATE FEES	\$388,128	-10.9%	\$397,274	2.4%	\$436,415	9.9%	\$1,097,847	151.6%	\$1,385,377	26.2%	\$1,382,500	-0.2%	\$1,336,000	-3.4%
SHORT-TERM CAR LEASE [2-FY02]	\$8,288,217	0.2%	\$19,662,998	137.2%	\$22,208,165	12.9%	\$25,638,556	15.4%	\$27,177,000	6.0%	\$28,672,000	5.5%	\$30,105,000	5.0%
ATHLETIC COMMISSION LICENSES/FINES [5-FY02]			\$122,908		\$210,920	71.6%	\$109,825	-47.9%	\$150,000	36.6%	\$140,000	-6.7%	\$140,000	
WATER PLANNING FEES [4-FY02]	\$21,069	31.6%												
STATE ENGINEER SALES	\$1,588,378	4.6%	\$1,572,066	-1.0%	\$1,590,428	1.2%	\$1,698,473	6.8%	\$1,975,000	16.3%	\$1,975,000		\$1,975,000	
SUPREME COURT FEES	\$204,075	-12.2%	\$207,830	1.8%	\$212,035	2.0%	\$219,042	3.3%	\$223,000	1.8%	\$227,000	1.8%	\$231,100	1.8%
MISC. FINES/FORFEITURES	\$136,957	16.4%	\$172,541	26.0%	\$350,947	103.4%	\$261,421	-25.5%	\$418,900	60.2%	\$387,800	-7.4%	\$393,100	1.4%
TOTAL FEES AND FINES	\$13,117,391	-1.0%	\$24,878,868	89.7%	\$27,796,842	11.7%	\$31,991,088	15.1%	\$34,335,877	7.3%	\$35,875,500	4.5%	\$37,358,100	4.1%
USE OF MONEY AND PROPERTY														
LYON COUNTY REPAYMENTS	\$177,450													
OTHER REPAYMENTS [7-FY02][8-FY02][18-FY04]	\$1,118,866	-2.4%	\$931,938	-16.7%	\$2,405,277	158.1%	\$2,008,738	-16.5%	\$2,100,096	4.5%	\$2,200,911	4.8%	\$2,251,778	2.3%
MARLETTE REPAYMENT	\$10,483	65.4%	\$10,512	0.3%	\$10,512		\$10,512		\$10,512		\$10,512		\$10,512	
INTEREST INCOME	\$26,333,458	34.0%	\$12,501,357	-52.5%	\$5,990,047	-52.1%	\$4,528,633	-24.4%	\$12,999,000	187.0%	\$17,259,600	32.8%	\$15,011,200	-13.0%
TOTAL USE OF MONEY AND PROPERTY	\$27,640,257	32.9%	\$13,443,808	-51.4%	\$8,405,836	-37.5%	\$6,547,883	-22.1%	\$15,109,608	130.8%	\$19,471,023	28.9%	\$17,273,490	-11.3%
OTHER REVENUE														
HOOVER DAM REVENUE	\$300,000		\$300,000		\$300,000		\$300,000		\$300,000		\$300,000		\$300,000	
MISC. SALES AND REFUNDS	\$4,515,462	84.6%	\$1,431,898	-68.3%	\$932,709	-34.9%	\$899,132	-3.6%	\$881,700	-1.9%	\$909,900	3.2%	\$871,700	-4.2%
COST RECOVERY PLAN	\$4,251,236	-2.9%	\$5,006,463	17.8%	\$5,004,477	0.0%	\$9,714,586	94.1%	\$9,758,600	0.5%	\$10,538,200	8.0%	\$10,549,000	0.1%
PETROLEUM INSPECTION FEES	\$516,320	-3.5%	\$550,736	6.7%	\$563,727	2.4%	\$557,966	-1.0%	\$581,600	4.2%	\$587,500	1.0%	\$593,300	1.0%
UNCLAIMED PROPERTY [9-FY02][9-FY06]	\$10,078,369	30.4%	\$19,328,933	91.8%	\$16,014,824	-17.1%	\$19,611,605	22.5%	\$19,605,000	0.0%	\$8,477,000	-56.8%	\$8,637,000	1.9%
TOTAL OTHER REVENUE	\$19,661,386	27.8%	\$26,618,030	35.4%	\$22,815,737	-14.3%	\$31,083,289	36.2%	\$31,126,900	0.1%	\$20,812,600	-33.1%	\$20,951,000	0.7%
TOTAL GENERAL FUND REVENUE	\$1,734,116,512	5.3%	\$1,751,957,967	1.0%	\$1,825,353,940	4.2%	\$2,404,005,956	31.7%	\$2,722,824,285	13.3%	\$2,871,183,669	5.4%	\$3,029,485,157	5.5%

GENERAL FUND REVENUES - ECONOMIC FORUM MAY 2, 2005 FORECAST
ACTUAL: FY 2001 THROUGH FY 2004 AND FORECAST: FY 2005 THROUGH FY 2007
FY 2006 AND FY 2007 ECONOMIC FORUM FORECAST ADJUSTED FOR LEGISLATIVE ACTIONS APPROVED BY THE 2005 LEGISLATURE (73rd SESSION and 22nd SPECIAL SESSION)

NOTES:

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

FY 2001

[1-FY01] Amount for FY 2000-01 (5-Oct-01) for GL 3179 reflects adjustments of \$198,388.19, \$534,222.45, and \$153,128.65 that should have been deposited to GL 3179 - Financial Institution Fees, but were recorded in the Controller's system by the Financial Institutions Division under GL 3100 - Credit Union Fees, GL 3110 - Banking Fees, and GL 3177 - Thrift Institution Fees, respectively. Adjustment made to maintain historical pattern of collections for comparison.

FY 2002

- [1-FY02] FY 2002 and FY 2003 collections reflect the 50% increase in most Secretary of State fees (approved by the 2001 Legislature in S.B. 577).
[2-FY02] FY 2002 and FY 2003 collections reflect the revenue enhancement approved by the 2001 Legislature in S.B. 307.
[3-FY02] Collections FY 2002 and FY 2003 reflect additional revenues from the increase in short-term car rental rate resulting from approval of A.B. 460 (2001 Legislature).
[4-FY02] 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.
[5-FY02] 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.
[6-FY02] In FY 2001-02, the Treasurer deposited \$20,000,000 in GL 3291 due to the "2002 Forward Delivery Agreement" for prepayment of interest from the Bond Interest Redemption Fund. The amount is not shown in the General Fund Revenue Tables, but is accounted for on the General Fund Ending Fund Balance Statement as a one-time revenue adjustment.
[7-FY02] The Department of Information of Technology (DOIT) did not make the scheduled repayment for the noted projects totaling \$114,749 in FY 2002. These payments for FY 2002 will be made in FY 2003 in addition to their normal scheduled repayments for FY 2003.
[8-FY02] 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.
[9-FY02] Collections for FY 2002 includes amount generated from "one-time" acceleration of holding period for determining property to be unclaimed approved by the 2001 Legislature in A.B. 77.

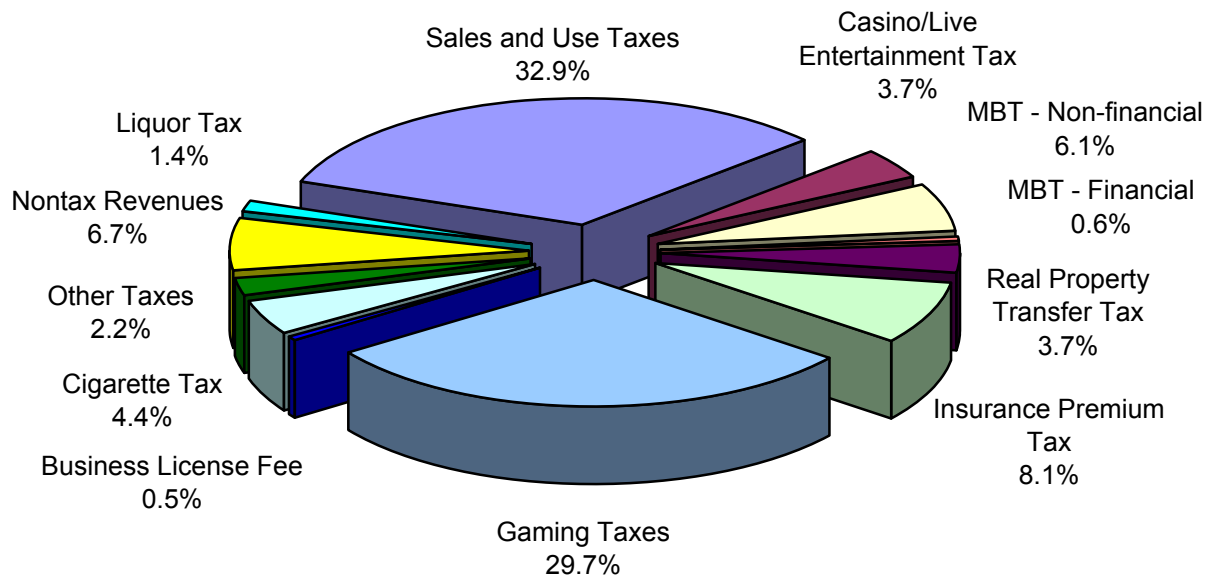
FY 2004

- [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 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-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
[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 Millenium Scholarship Trust Fund in FY 2006 and FY 2007.

NEVADA GENERAL FUND REVENUE ACTUAL BY SOURCE, FY 2003-04



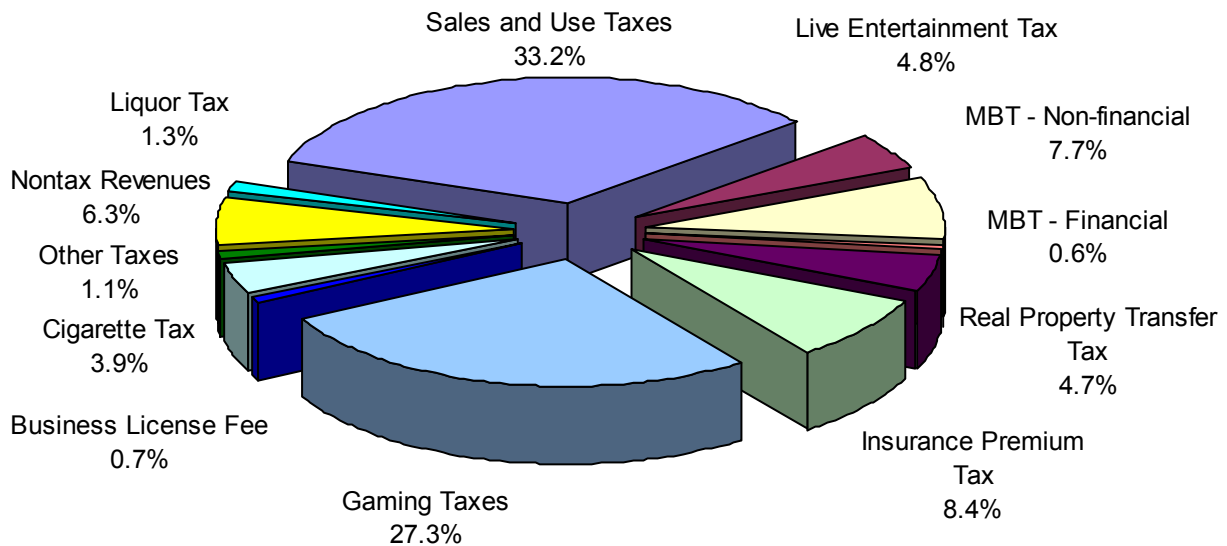
ACTUAL GENERAL FUND REVENUE - FY 2003-04

	<u>Millions \$'s</u>	<u>% of Total</u>		<u>Millions \$'s</u>	<u>% of Total</u>
Taxes:			Other Taxes:		
State Gaming Taxes	\$714.6	29.7%	Business License Tax (b)	\$22.2	0.9%
Sales and Use Taxes	\$790.6	32.9%	Mining Tax	\$16.8	0.7%
Insurance Premium Tax	\$194.5	8.1%	Annual Slot Tax Transfer	\$5.0	0.2%
Cigarette Tax	\$106.8	4.4%	Tobacco & Other Taxes	\$6.9	0.3%
Casino/Live Entertainment Tax (a) (b):			Branch Bank Excise Tax (a)	\$1.5	0.1%
Gaming Establishments	\$84.9	3.5%	Subtotal Other Taxes	\$52.4	2.2%
Non-Gaming Establishments	\$4.3	0.2%	Subtotal Taxes	\$2,242.7	93.3%
Modified Business Tax (MBT) (a):			Nontax Revenues		
Non-Financial Institutions	\$146.2	6.1%	Licenses	\$91.7	3.8%
Financial Institutions	\$15.5	0.6%	Fees and Fines	\$32.0	1.3%
Real Property Transfer Tax (a)	\$88.0	3.7%	Use of Money and Property	\$6.5	0.3%
Business License Fee (a)	\$11.9	0.5%	Miscellaneous Revenues	\$31.1	1.3%
Liquor Tax	\$33.0	1.4%	Subtotal Nontax Revenues	\$161.3	6.7%
			Total General Fund	\$2,404.0	100.0%

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

(b) Taxes repealed in FY 2003-04 by the 2003 Legislature (S.B. 8 - 20th Special Session)

NEVADA GENERAL FUND REVENUE ADJUSTED* ECONOMIC FORUM FORECAST, 2005-07 BIENNIUM



ESTIMATED GENERAL FUND REVENUE - 2005-07 BIENNIUM ADJUSTED* ECONOMIC FORUM MAY 2, 2005 FORECAST

	<u>Millions \$'s</u>	<u>% of Total</u>		<u>Millions \$'s</u>	<u>% of Total</u>
Taxes:			Other Taxes:		
State Gaming Taxes (c)	\$1,613.9	27.3%	Business License Tax (b)	\$0.8	0.0%
Sales and Use Taxes	\$1,957.7	33.2%	Mining Tax	\$31.1	0.5%
Insurance Premium Tax	\$493.0	8.4%	Annual Slot Tax Transfer	\$10.0	0.2%
Cigarette Tax	\$230.4	3.9%	Tobacco & Other Taxes	\$15.9	0.3%
Live Entertainment Tax (a)(c):			Branch Bank Excise Tax (a)(c)	\$5.4	0.1%
Gaming Establishments	\$257.2	4.3%	Subtotal Other Taxes	\$63.2	1.1%
Non-Gaming Establishments	\$27.0	0.5%			
Modified Business Tax (MBT) (a)(c):			Subtotal Taxes	\$5,531.6	93.7%
Non-Financial Institutions	\$455.7	7.7%			
Financial Institutions	\$37.9	0.6%	Nontax Revenues		
Real Property Transfer Tax (a)(c)	\$279.7	4.7%	Licenses	\$217.4	3.7%
Business License Fee (a)(c)	\$40.2	0.7%	Fees and Fines	\$73.2	1.2%
Liquor Tax	\$75.7	1.3%	Use of Money and Property	\$36.7	0.6%
			Miscellaneous Revenues (c)	\$41.8	0.8%
			Subtotal Nontax Revenues	\$369.1	6.3%
			Total General Fund	\$5,900.7	100.0%

*Adjusted for Legislative actions approved by the 2005 Legislature (73rd Session and 22nd Special Session)

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

(b) Taxes repealed in FY 2003-04 by the 2003 Legislature (S.B. 8 - 20th Special Session)

(c) The FY 2006 footnotes for the General Fund Revenue Table on page 7 provide a description of the Legislative actions approved by the 2005 Legislature reflected in the table.