

NEVADA



PROGRAM INFORMATION

- ▶ Governor's Office of Economic Development
- ▶ <http://www.diversifynevada.com/>

ECONOMIC INDICATORS

PER CAPITA PERSONAL INCOME

- 2011: \$38,173
- Percent of National Average: 92%
- Percent Change from 2010: 3.3%
- 2001-2011 Compound Annual Growth Rate: 2.1%

CURRENT DOLLAR GDP

- 2011: \$130.4 billion
- U.S. Rank: 32

REAL GDP

- 2011 Growth Rate: 1.2%
- 2001-2011 Compound Annual Growth Rate: 2.4%

LARGEST INDUSTRY CONTRIBUTORS TO GDP

Accommodation and food services (14% of GDP), Real estate and rental and leasing (12.8% of GDP)

LARGEST INDUSTRY CONTRIBUTORS TO GDP GROWTH, 2010-11

Mining (contributed 1.02 percentage points), Accommodation and food services (contributed 0.56 percentage points)

KEY TAX RATES

STATE INDIVIDUAL INCOME TAXES

No state personal income tax

CORPORATE INCOME TAX RATES

No state corporate income tax

EXCISE TAX RATES

- General Sales and Gross Receipts Tax: 6.85%
- Motor Fuel Tax Rates (cents per gallon)
 - » Gasoline: 23.805
 - » Diesel: 27.75
 - » Gasohol: 23.805
- The general sales and gross receipts tax is scheduled to fall to 6.5% on July 1, 2013
- The motor fuel tax rates do not include local option taxes of 4.0 to 9.0 cents or inspection and clean-up fees.

SUCCESSFUL INCENTIVE AND DEVELOPMENT PROGRAMS

Nevada has fewer incentive programs than other states due in large part to its tax structure. The state does not have any of the following: personal income tax, unitary tax, corporate income tax, inventory tax, estate and/or gift tax, franchise tax, inheritance tax or special intangible tax. The state does, however, offer sales tax abatements on capital equipment purchases, a sales and use tax deferral on capital equipment purchases, abatements on personal and modified business taxes and real property tax abatements for recycling.

In addition, the Nevada Train Employees Now Program provides short-term, skills-based intensive job training to assist new and expanding firms to reach their productivity goals quickly. A customized program is designed covering recruitment, hiring and job training. The state supports firms demonstrating a human relations commitment through a meaningful wage and fringe benefit policy.

OVERSIGHT AND ACCOUNTABILITY MEASURES

Workforce training programs require an employer match for training funds and employers must pay a predetermined minimum wage to be eligible for funding. For all incentives, audits are conducted by program staff to affirm workers are being trained and hired and the appropriate pay levels are being met and/or equipment is being purchased as claimed.

This year, the state retained Brookings Mountain West and SRI to conduct the first in-depth analysis of the state's economic potential in 11 years. The result is a much more focused program centered on the development of key economic clusters to build on existing economic assets and develop a parallel effort with education to align career pathways with cluster opportunities.

RECENT LEGISLATIVE HIGHLIGHTS

During the 2011 session, the legislature passed Assembly Bill 449, which is driving a complete reorganization of economic development. The previous Commission on Economic Development has become the Governor's Office of Economic Development, reporting to the governor and a new board of directors. The bill called for an examination of the state's economic strengths, weakness, opportunities and threats,

as well as a new State Plan for Economic Development. In addition, by approving the governor's budget, the legislature added 50 percent to the budget for economic development. Assembly Bill 202 provides for the partial abatement of some property taxes for eligible new manufacturing businesses, including those that renovate an existing building or other structure.