

TAX TOPICS

A Publication of the Nevada Taxpayers Association serving the citizens of Nevada since 1922

ISSUE 2-08

ELECTRONIC VERSION

OCTOBER 2008

THE BALLOT QUESTIONS - STATE AND LOCAL

In addition to electing candidates for federal, state and local offices this general election, voters will also vote on 4 statewide questions. Of the four statewide questions, Question No. 2 is appearing on this ballot for the second time. If it is passed by the voters, it will become law.

In 13 counties voters will decide the outcome of local ballot questions ranging from increasing the number of Commissioners to advisory questions asking for increases in the sales tax for local purposes. The local questions, which are identified by county, begin on page 3.

The questions as they will appear on the ballots are shown in *italics*. Sample ballots will be sent to all Nevada voters prior to the start of early voting on October 16th. They will provide the questions as they appear on the ballot as well as an explanation, the arguments for and against a question, and any pertinent fiscal information.

QUESTION NO. 1

Amendment to the *Nevada Constitution*
Assembly Joint Resolution No. 10 of the 73rd Session

Shall the Nevada Constitution be amended to eliminate an unconstitutional requirement that a person must reside in Nevada for 6 months prior to an election in order to be eligible to vote in that election?

FINANCIAL IMPACT - None

EXPLANATION: The U.S. Supreme Court has ruled that residency requirements of this length are unconstitutional.

NTA POSITION: Not in our purview.

EXPLANATION: This initiative, which qualified in 2006 and was approved by the voters at the 2006 general election, was in response to the U.S. Supreme Court decision, *Kelo v. the City of New London*. The Court in this case affirmed the action taken by the City in their use of eminent domain.

FINANCIAL IMPACT: Cannot Be Determined. It depends on the number of eminent domain cases which might be brought before the state and district courts in Nevada.

POSITION: OPPOSE. This amendment is considerably more expansive than the issue raised by the *Kelo* decision. It changes the manner of determining both the value of property and the price that will be offered, to requiring the return of property if not used for the stated purpose within five years.

QUESTION NO. 2

2006 Initiative to Amend the Constitution (a.k.a. Pistol)

Shall Article 1 of the Nevada Constitution be amended in order: to provide that the transfer of property from one private party to another private party is not considered a public use; to provide that property taken for a public use must be valued at its highest and best use; to provide that fair market value in eminent domain proceedings be defined as the "highest price the property would bring on the open market;" and to make certain other changes related to eminent domain proceedings?

During the 2007 Legislative session, AB 102 (amends NRS 37) and AJR 3 (proposes to amend Article 8, Section 1) were enacted in response to this ballot question. Assembly Bill 102 was effective May 23, 2008. Assembly Joint Resolution 3 will have to be passed again by the 2009 Legislature and then approved by the voters at the 2010 general election. During the 2007 Legislative Session, proponents and opponents of this question agreed with the statutory change and the Constitutional change, and were pleased by the outcome. The changes protect the concerns of property owners in addressing private property rights and eminent domain actions.

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Statewide Questions Continued**QUESTION NO. 3**

Amendment to the *Nevada Constitution*
Assembly Joint Resolution No 16 of the 73rd Session

Shall the Nevada Constitution be amended to require that, before it can enact an exemption from property tax or from sales and use tax, the Nevada Legislature must: (1) make certain findings regarding the social or economic purpose and benefits of the exemption; (2) ensure that similar classes of taxpayers must meet similar requirements for claiming exemptions; and (3) provide a specific date on which the exemption will expire?

FINANCIAL IMPACT: Cannot Be Determined.

EXPLANATION: Currently there is no constitutional or statutory language to require the Legislature to evaluate the impacts of granting an exemption or establish a review date.

NTA POSITION: SUPPORT. Exemptions can serve a useful purpose or they can erode the tax base. This question will provide both a framework for evaluating future exemptions and provide a sunset date which generally results in a review of the exemption to determine if it should be continued or if it has outlived its usefulness.

QUESTION NO. 4

Amendment to the Sales and Use Tax Act of 1955
Senate Bill No. 502 of the 74th Session

Shall the Sales and Use Tax Act of 1955 be amended to authorize the Legislature to amend or repeal any provision of the Act without an additional direct vote of the people whenever necessary to carry out any federal law or interstate agreement for the administration, collection or enforcement of sales and use taxes, and to repeal an exemption from the taxes imposed by this Act on certain aircraft and aircraft components?

FINANCIAL IMPACT - Cannot Be Determined.

EXPLANATION: This proposed amendment would authorize the Nevada Legislature to enact legislation to carry out any federal law or interstate agreement for the administration, collection, or enforcement of sales and use taxes without voter approval.

continued next column

Approval of this question does not allow the 2% portion of the State's Sales and Use Tax (SST) Act to be raised unless approved by the voters.

NTA POSITION: SUPPORT. Because the voters approved the 1955 Sales and Use Tax Act by Referendum, all changes that are not administrative must be approved by the voters. Nevada is signatory to the Streamlined Sales Tax Agreement (SSTA) and is required to periodically update its sales and use tax statutes to clarify a definition, collection process, audit procedure etc. Voter approval of this question would allow the State to make conforming adjustments that might be required of the SSTA without having to go to the voters. Additionally, the question asks for voter approval to repeal an exemption that has been found unconstitutional by the Courts.

ARE YOU REGISTERED?

You can verify your registration by going to www.sos.state.nv.us or you can email or call your county clerk or registrar of voters.

COUNTY CLERKS & VOTER REGISTRARS

Carson City Clerk - Alan Glover
(775)-887-2087
Website: www.carson-city.nv.us

Churchill County Clerk - Kelly G. Helton
(775)-423-6028
Website: www.churchillcounty.org

Clark County Registrar of Voters -Larry Lomax
(702)-455-VOTE (8683)
Website: www.accessclarkcounty.com

Douglas County County Clerk -Ted Thran
(775)-782-9023
Website: cltr.co.douglas.nv.us

Elko County County Clerk - Win Smith
(775)-753-4600 FAX-753-4610
Website: www.elkocountynv.net

Esmeralda County County Clerk - Lacinda "Cindy" Elgan
(775)-485-6367
Website: www.accessesmeralda.com

Eureka County County Clerk - Jackie Berg
(775)-237-5262
Website: co.eureka.nv.us

Humboldt County County Clerk - Tami Rae Spero,
(775)-623-6343
Website: www.hcnv.us

TYPES OF LOCAL BALLOT QUESTIONS

ADVISORY - Advisory questions are most frequently used to request voter approval for a statutory change. In many instances they are used to ask voters to authorize or grant authority to a local government to increase a tax; usually for a specific purpose. No legal requirement is placed on any elected official to enact the provisions contained in the question, including the imposition of a tax, if the question is approved.

LONG TERM DEBT - Long term debt is any debt 10 years or longer and must be approved by the voters at a statewide general election. Questions seeking approval to issue long term debt generally ask for approval to finance that debt through:

- the issuance of general obligation (G.O.) bonds funded by a property tax levy; or
- the issuance of revenue bonds which will be repaid from a revenue source other than property tax.

Any question seeking approval to issue G.O. bonds, the sample ballot will contain: the purpose of the issue; a disclosure of the property tax rate anticipated and the dollar amount of interest; the impact to a \$100,000 home; and an explanation of how the operating and maintenance costs of the facility will be paid. The actual tax rate necessary to pay the bonds may be higher or lower than the estimate depending on: the interest rates at the time the bonds are sold; maturity schedule and term of bonds as actually issued; and actual assessed value of property in the district at the time bonds are sold. The question must also identify if the property tax rate will be outside the property tax abatement*.

PAY AS YOU GO - Used generally by school districts to provide for a property tax rate to fund the building refurbishing of school facilities as funds are accrued. The rate cannot be imposed for longer than 20 years and the sale of bonds is prohibited.

PROPERTY TAX ROLLOVER - A mechanism to allow school districts to ask voters to approve a continuation of the existing debt rate to build facilities. A school district which has received voter approval for the "rollover" may issue debt against any property tax rate which becomes available because of prior debt being retired. Bonds may only be issued for a period of 10 years after voter authorization is received.

TAX OVERRIDE - Allows a property or sales tax rate to be set for operational expenses, such as additional public safety personnel. A property tax override may not be levied for longer than 30 years and may be discontinued sooner.

* **Property Tax Abatement** - In 2005 the Legislature approved a partial property tax abatement to restrict the increases in property tax bills. The total property tax bill is limited to a maximum 3% increase over the prior year for an owner-occupied single family residence or residential rental property if the rent charged is equal to or less than the final fair market rents as published by HUD. For all other property, the increase cannot exceed a maximum of 8%. If a ballot question seeks a property tax levy/rate outside of the abatement, it must be stated in the question.

If the question is approved by the voters, the revenue generated by that levy/rate is not subject to the partial abatements.

DON'T FORGET TO VOTE ON NOVEMBER 4!

LOCAL BALLOT QUESTIONS

In addition to the statewide questions, voters in 13 of the 17 counties will be asked to vote on local ballot questions that range from City Charter changes to school rollover bonds and everything in between. There are no local questions in Elko, Esmeralda, Eureka and Mineral counties.

The questions have been taken from information provided to NTA by the various County Clerks and Registrars of Voters. The wording of the questions taken from resolutions may have minor changes which will be reflected in the sample ballots sent to the voters. Financial information, where provided, has been taken from the information received and is not based on calculations done by NTA.

One question, which proponents had originally hoped to have appear on the ballot in each county, appears only on three county ballots - - - Clark, Lander and Washoe. The question seeks to increase the room tax by 3% in the three counties, with revenue being used to fund state needs for the first two years and then being earmarked for teacher's salaries and to improve education. It is the only local question for which NTA has taken a position on - **Opposition**.

CARSON CITY

Question No. CC 1 - Advisory Question: Sales Tax

Do you support an increase in the sales and use tax in Carson City, Nevada, of 1/8th of 1% for the purpose of repaying approximately \$10 million in general obligation bonds (additionally secured by pledged revenues) which will be issued to pay a portion of the cost of the Virginia and Truckee Railroad construction project in return for 5% of the gross ridership revenues generated by the project for the next 99 years.

FINANCIAL EFFECT: The sales and use tax increase of 1/8 of 1% would last for up to approximately 11 years. The average annual cost of this sales and use tax increase is expected to be \$12.50 for a payer of sales and use tax in Carson City, based on average annual taxable expenditures of \$10,000. If the sales and use tax is imposed, Carson City expects to sell general obligation bonds payable from the sales and use tax that are also backed by the full faith and credit of the assessed value of Carson City.

Question No. CC 2 - Property Tax Increase: Public Safety

Shall the Board of Supervisors of Carson City be authorized to levy an additional property tax rate for public safety, including, assisting in the funding of the Carson City Fire Department's ambulance service and wildland fire protection services; assisting in the funding of the Carson City Sheriff's Department Gang Unit, Detention Facility and Communication Center; and assisting in the funding of any other public safety agency that has an increased workload attributed to the funding provided to the Carson City Fire Department and Carson City Sheriff's Department, in the amount of up to 12.6 cents per \$100 assessed valuation for a period of 30

*years? The cost for the owner of a new \$100,000 home is estimated to be approximately \$44.10 per year. If this question is approved by the voters, any property tax levied as authorized by this question **will be outside of the caps on a taxpayer's liability for property taxes established by the legislature in the 2005 session.** (Emphasis added.)*

FINANCIAL EFFECT: The City estimates that the additional property tax of 12.6 cents per \$100 of assessed valuation will generate between \$2,587,903 and \$15,640,662 annually for a period of 30 years. The cost for the owner of a new \$100,000 home is estimated to be approximately \$44.10 per year. If this question is approved by the voters, the additional property tax authorized to be levied will be outside of the caps on a taxpayer's liability for property (ad valorem) taxes established by the Legislature in the 2005 session.

CHURCHILL COUNTY

Question No. 1 - Rollover: School District Bond Question

*Shall Churchill County School District be authorized to issue general obligation school bonds to finance the acquisition, construction, improvement and equipping of school facilities? Taxes generated by the District's existing school bond property tax rate may be used for capital projects if they are not needed for the payment of the bonds and purposes related to bonds, including the required reserves. District projections at the time the bonds are issued must indicate that issuance of the bonds **will not result in an increase of the existing school bond property tax rate of 55 cents per \$100 of assessed value.** If approved, this authorization will expire November 4, 2018. (Emphasis added.)*

CHURCHILL COUNTY CONTINUED

Question No. 2 - Fallon Volunteer Fire Department: Property Tax

*Shall Churchill County be authorized to levy an additional property tax rate for major fire equipment and apparatus purchases for the Fallon Churchill County Volunteer Fire Department in the amount of up to \$0.03 per \$100 assessed valuation for a period of up to six years commencing July 1, 2009 and ending June 30, 2015? The cost for the owner of a new \$100,000 home is estimated to be up to \$10.50 per year. If this question is approved by the voters, any property tax levied **will be outside of the caps on a taxpayer's liability for property (ad valorem) taxes established by the legislature in the 2005 session.** (Emphasis Added.)*

CLARK COUNTY

Question No. 5 - Advisory: Room Tax Increase

This question is advisory only: Do you support the imposition of an additional hotel and motel room tax of not more than 3 percent to be used in the first 2 years after imposition to avoid large cuts in the funding of education and other state programs and to be used thereafter to increase the funding of K-12 Education specifically to improve student achievement and for salaries of non-administrative educational personnel?

FINANCIAL EFFECT: The imposition of a new tax on the rental of transient lodging in the county would only affect those individuals that stay in transient lodging, such as hotels and motels. The average annual cost that is expected to be incurred by the affected taxpayer if the new tax is imposed would be approximately \$3.51 per night per room, assuming a tax rate of 3 percent and an average room rate of \$117.12. The financial impact on the taxpayer would depend on the current total room tax rate imposed in the location in the county where the rental of transient lodging occurred, as follows:

1. There would be no financial impact on individuals who stay in a location in the county where the current total room tax rate is equal to or greater than 13 percent.
2. In those locations in the county where the current total room tax rate is equal to or less than 10 percent, the room tax rate would increase by 3 percent. The cost of the rental of a room would increase by 3 percent of the price of the room, excluding any other taxes or fees imposed by a governmental entity. For example, if the price of the room were \$100 then the 3 percent tax would increase the cost of the room by \$3 per day the room is rented. A taxpayer who stays an average of two times

per year with an average stay of three nights per visit in rooms subject to this additional 3 percent room tax with an average room rate of \$100 would pay an additional \$18 in room taxes in each year

3. In those locations in the county where the current total room tax rate is greater than 10 percent, but less than 13 percent, the room tax rate would increase by the difference between the current total room tax rate and the 13 percent maximum rate. The cost of the rental of a room would increase by this percentage multiplied by the price of the room, excluding any other taxes or fees imposed by a governmental entity. For example, if the current total room tax rate were 11 percent, then the room tax would increase by 2 percent. If the price of the room were \$100, then the 2 percent tax would increase the cost of the room by \$2 per day the room is rented. A taxpayer who stays an average of two times per year with an average stay of three nights per visit in rooms subject to this additional 2 percent room tax with an average room rate of \$100 would pay an additional \$12 in room taxes in each year.

If approved during the 2009 Legislative Session, the new room tax not to exceed 3 percent would become effective July 1, 2009, and would remain in effect until the statute is repealed. Any tax revenue generated in the county from the imposition of an additional room tax would be transferred to the State to offset the potential loss of General Fund revenue in the 2009-11 biennium (July 1, 2009 through June 30, 2011) and would be dedicated to increase the funding of K-12 Education, specifically to improve student achievement and for salaries of non-administrative educational personnel beginning in the 2011-2013 biennium (July 1, 2011 through June 30, 2013) and every biennium thereafter for as long as the statute remains in effect.

NTA COMMENT: This question is appearing only on the Clark County, Lander County and Washoe County ballots.

NTA POSITION: OPPOSE. This question is known as "Ballot Box Budgeting". It is the worst tax and expenditure policy that can be enacted and ultimately ties the hands of the Legislature to determine funding priorities. The question also earmarks a tax without a user-benefit relationship; another poor tax policy. The proposal relies on a revenue source that will be generated by tourists in the hopes of winning the favor of voters. This is not a stable revenue source. It is subject to visitor volume (currently down) and the price charged for rooms (also down). Additionally, this question is appearing only on the ballots in three counties, Clark, Lander and Washoe. Any new revenue generated in these counties will not stay in these counties but will be used statewide.

CLARK COUNTY CONTINUED

BOULDER CITY RESIDENTS ONLY**Question No. 6 - Advisory Question: Hospital District Creation and Funding**

This question is advisory only: Do you support Clark County seeking legislation to permit the County to create the Boulder City hospital District to contract with the existing not-for-profit hospital in Boulder City and allow the District to impose a new property tax in the amount of 15 cents per 100 dollars of assessed valuation within the district, to fund capital improvements (updating or adding square footage to the physical plant and infrastructure, purchase of property, plant and equipment, as well as repayment of capital debt) and program expansions (i.e. financing the recruitment of needed physician specialties and adding new medical services not currently available within the district's boundaries)? If approved, the County will seek legislation that would allow only the new **rate to be outside the caps** on a taxpayer's liability for property taxes established by the legislature in the 2005 session, but except for the effect of the increase tax rate, the taxes raised would not otherwise be outside these caps. (Emphasis added.)

FINANCIAL EFFECT: The legislature would be requested to allow the new district to impose a property tax levy of up to \$0.15 per \$100 assessed valuation for an indefinite period. This property tax rate increase would result in an increase in the property taxes that the owner of a new \$100,000 home will pay of not more than \$52.50 per year, depending on the application of the caps on a taxpayer's liability for property taxes established by the legislature in the 2005 session to that taxpayer's property. If the question is approved, the County will seek legislation that would allow only **the new rate to be outside the caps on a taxpayer's liability for property taxes established** by the legislature in the 2005 session, known as the property tax abatements. Except for the effect of the increased tax rate, the taxes raised would not otherwise be outside these caps.

This would mean that if a taxpayer's property tax bill is capped by the 2005 abatement legislation, taxes on the property would go up if this proposal is put into effect in proportion to the increase in the combined effective tax rate as a result of this new 15 cent hospital rate, but would not result in an additional increase in the tax bill from otherwise abated taxes on assessed value increases since 2005. For most property owners in Boulder City, implementing this proposal will result in an increase in the property tax bill of 6.5% to 7%.

BOULDER CITY QUESTIONS**Question No. 1 - Charter Change**

*Shall the Boulder City Charter be amended to add the following language set forth in **bold italic**: throughout this document all references to the masculine also include the feminine, where the context so requires, and references to the singular also include the plural and vice versa, where the context so requires.*

FINANCIAL EFFECT: None

QUESTION NO. 2 - Charter Change

Shall Section 8, paragraph 1.B. of the Boulder City Charter be amended to entirely repeal paragraph 1.B. and add a new paragraph 1.B.(1) as follows (Old language to be removed is shown in strike through. New language to be added is shown in **bold italic**):

~~B. Any City officer may be temporarily suspended with full pay at any time by a majority vote of the Council, but no City officer may be removed from office unless he has first been given an opportunity for a hearing before the Council, at his request, with not less than seven days prior notice of the time and place of the hearing. Such hearing may be either public or private, as requested by the officer, and at the hearing the officer may be assisted by his own legal counsel. Any action of the Council following such hearing shall be considered final and conclusive.~~

B. Any City officer may be temporarily suspended with full pay at any time by a majority vote of the Council, but no City officer may be removed from office unless he has first been given an opportunity for a hearing before the Council. The Council shall not hold a closed meeting to consider terminating such officer or to consider the character, alleged misconduct, professional competence, or physical or mental health of such public officer. The public officer may be assisted by his own legal counsel at the hearing. Any action of the Council following such hearing shall be considered final and conclusive. Written notice of the meeting shall be given to such officer in the manner set forth in NRS 241.033.

FINANCIAL EFFECT: None

Question No. 3 - Sale of Land - Advisory Question

Shall the City sell approximately 46 acres of certain commercial property located west of Yucca Street in the industrial area of Boulder City, from which the proceeds shall be placed into the Capital Improvement Fund to assist in funding the City's share of the cost of constructing the 3rd intake for water from Lake Mead?

continued next column

FINANCIAL EFFECT: The value of the undeveloped land in the industrial area that is the subject of this question has not been established. If this question is approved by the voters, two independent commercial property appraisals will be obtained and subsequent thereto, the minimum value per square foot will be established. Therefore, the value of the proposed sale of this undeveloped land in the industrial area cannot be established at this time. Any expense related to this question will not require the levy or imposition of a new tax or fee or the increase of an existing tax or fee.

CITY OF NORTH LAS VEGAS QUESTION

Question No. 1 - Charter Change

Shall Section 4.020 of the Charter of the City of North Las Vegas be amended to require a Municipal Judge who holds the office of Municipal Judge after January 1, 2009:

1. *To devote his full time to the duties of this office; and*
2. *Except for a Municipal Judge who holds the office of Municipal Judge on January 1, 2009, and continues to serve in uninterrupted terms, to be a duly licensed member, in good standing, of the State Bar of Nevada?*

FINANCIAL IMPACT: None

DOUGLAS COUNTY

Question No. 1 - Advisory: Growth Management

Should the Douglas County Building Permit Allocation and Growth Management Ordinance, Douglas County Code Chapter 20.560, passed by the Board of County Commissioners, and effective July 1, 2007, and as amended, remain in effect?

FINANCIAL EFFECT - The law has an effect on the amount of fees and taxes collected by the County in a single year. If the law remains in effect there will be no change in this fiscal impact. If the question is approved, there could be a reduction in revenue.

Question - School District Bond: Rollover

*Shall Douglas County School District be authorized to issue general obligation school bonds to improve, equip, acquire and construct school facilities? Taxes generated by the District's existing school bond property tax not needed for payment of bonds and purposes related to the bonds including the required reserves for bonds in any year may be used for capital projects. District projections at the time the bonds are issued must indicate that issuance of the bonds **will not result in an increase of the existing school bond property tax rate of 10 cents per \$100 of assessed value.** If approved, this authorization will expire November 4, 2018. (Emphasis added.)*

FINANCIAL EFFECT: The maximum principal amount of bonds to be issued will not exceed that which the Board determines can be repaid without increasing the District's existing tax levy for school bonds. The maximum term of the bonds is 30 years, but the Board expects that the bonds will have a 20 year term. The District expects to undertake a number of projects that will improve the operating and maintaining of school facilities which could result in cost savings. These are normal operation, maintenance and repair cost and will be paid from the District's general operation budget and are not expected to affect the tax rate. The Board expects that all future costs (other than bond payments) in relation to the purpose for which the bonds are to be issued, will be paid from other revenues of the District. These are no requirements relating to the bond proposal which are imposed pursuant to a court order of federal or State statute.

TAHOE-DOUGLAS FIRE PROTECTION DISTRICT

Question - Fire Protection: Property Tax

*Shall the Board of Trustees of the Tahoe-Douglas Fire Protection District be authorized to levy an additional property tax rate for wildland fire protection purposes (including, without limitation, eliminating and removing fire hazards, acquiring fire protection equipment, and acquiring, constructing, improving, operating and maintaining fire protections facilities) in the amount of up to 5 cents per \$100 assessed valuation for a period of 30 years? The cost for the owner of a new \$100,000 home is estimated to be approximately \$17.50 per year. If this question is approved by the voters, any property tax levied under this question **will be outside of the caps on an individual's liability for property taxes established by the legislature in the 2005 legislative session.** (Emphasis added.)*

FINANCIAL EFFECT: From the additional 5 cents per \$100 of assessed valuation, the District anticipates additional revenue ranging from \$672,244 in the first year to \$1,445,000 in the thirtieth and final year. The cost to the owner of a new home with a taxable value of \$100,000 is estimated to be \$17.50 per year. Voters are encouraged to check their most recent property tax bill for the taxable value of their property to determine the estimated impact on their property taxes. The estimated financial impact can be determined by taking the taxable value (\$100,000) multiplied by 35% to calculate the assessed value (\$35,000), which is then multiplied by the new tax rate (\$0.05) and divided by 100 (\$17.50).

**BE AN INFORMED VOTER
READ YOUR SAMPLE BALLOT**

HUMBOLDT COUNTY

Question - School District Bond: Rollover

Shall Humboldt County School District be authorized to issue general obligation school bonds to finance the acquisition, construction, improvement and equipping of school facilities? Taxes generated by the District's existing school bond property tax rate may be used for capital projects if they are not needed for the payment of the bonds and purposes related to bonds, including the required reserves. District projections at the time the bonds are issued must indicate that issuance of the bonds will not result in an increase of the existing school bond property tax rate of 13.5 cents per \$100 of assessed value. If approved, this authorization will expire November 4, 2018. (Emphasis added.)

FINANCIAL EFFECT: The maximum principal amount of bonds to be issued will not exceed that which the Board of Trustees and the Debt Management Commission determines can be repaid without increasing the District's existing tax levy for school bonds. The maximum term of the bonds is 30 years, but the Board expects that the bonds will have a 20 year term. The annual operation, maintenance and repair costs of the facilities expected to be financed with the bonds are estimated to average \$6.53 per square foot. These are normal operation, maintenance and repair costs and will be paid from the District's general operation budget and are not expected to affect the tax rate. The Board expects that all future costs (other than bond payments) in relation to the purpose for which the bonds are to be issued, will be paid from other revenues of the District. There are no requirements relating to the bond proposal, other than compliance with the Americans with Disabilities Act, which are imposed pursuant to a court order or federal or State statute.

LANDER COUNTY

Question - Advisory: Room Tax Increase

Shall the State room tax be increased by three percent (3%)? Pursuant to NRS293.482, the Lander County Commissioners have the authority to place advisory questions on the ballot. Each of Nevada's seventeen counties has been asked to place a proposal on the ballot to increase the State room tax by three percent (3%).

NTA COMMENT: In addition to Lander County, only two counties Clark and Washoe, have placed this question on their ballots.

NTA POSITION: OPPOSE. This question is known as "Ballot Box Budgeting". Please see "Clark County Question No. 5" on page 5 for position statement.

LINCOLN COUNTY

Question - School District Bond

Shall Lincoln County School District be authorized to issue up to \$5,000,000 of general obligation bonds for the purpose of acquiring, constructing, improving and equipping school facilities? Due to retirement of outstanding bonds and projected assessed value growth, passage of this question is not expected to result in an increase in the existing property tax rate levied to pay the District's bonds. (Emphasis added.)

FINANCIAL EFFECT: The maximum principal amount of the bonds is \$5,000,000. The maximum maturity of the bonds is 30 years, and the School Board anticipates that two series of bonds will be issued and each series of bonds actually will mature within 20 years of their issuance. The anticipated interest rate on the bonds is 5.30% and the total anticipated interest cost is \$3,552,975. Accordingly, the total anticipated bond payments (principal and interest) on the bonds is expected to be approximately \$8,552,975. The actual interest rate and total bond payments on the bonds may be higher or lower than the above estimate, depending on the interest rates at the time the bonds are sold. The School Board estimates that the range of property tax rates necessary to provide debt service on the bonds for the dates on which they are expected to be redeemed will be from .0408 cents to .1105 cents per \$100 of assessed value of the property in the District. This represents an annual average of .0733 cents per \$100 of assessed valuation, or \$25.65 per year for the owner of a new \$100,000 home. However, due to the projected bond repayment schedule and growth in assessed value, the District expects to repay the bonds from its existing property tax levy of 22.31 cents per \$100 of assessed value. Assuming an average growth rate of 5.00%, the estimated assessed value of the property in the District against which the bonds are to be issued ranges from \$203,130,000 to \$686,269,000. The actual property tax rate necessary to pay the bonds may be higher or lower than the above estimates, depending on the interest rates at the time the bonds are sold, the maturity schedule, the term of the bonds as actually issued, and the assessed value of property in the District against which the bonds are issued at the time taxes to repay the bonds are levied.

The estimated annual cost to operate, maintain and repair the buildings, structures, facilities and improvements to be constructed or acquired with the proceeds of the bonds is \$68,000. The Board anticipates that the costs of operation, maintenance and repair, as currently budgeted, will be paid from the District's general operating budget, and will not result in any increase in the tax rate.

LYON COUNTY

Question No. 1 - South Lyon County Hospital District

Shall the Board of Trustees of the South Lyon County Hospital District be authorized to continue to levy an additional property tax rate to maintain a hospital (including, without limitation, the maintenance and operation of hospital facilities, the purchase of hospital equipment, the acquisition of property, the construction of buildings and improvement of property owned by the District or any combination thereof) in the amount of up to \$0.25 per \$100 assessed valuation for a period not to exceed 30 years? The cost for the owner of a new \$100,000 home is estimated to be \$87.50 per year.

FINANCIAL EFFECT: From the additional 25 cents per \$100 of assessed valuation, the District anticipates additional revenue ranging from \$688,048 in the first year to \$1,246,304 in the thirtieth and final year. The cost to the owner of a new \$100,000 home is estimated to be \$87.50 per year.

Question No. 2 - Fire Protection District Boundary

Should North Lyon County Fire Protection District annex the additional property outlined in the 2005 Assembly Bill No # (sic) 440 which revised the boundary line between Washoe County and Lyon County?

FISCAL NOTE: The effective assessed value of the annexed area would be \$1,754,707. North Lyon County Fire Protection Districts 2008 fire and life safety rate is 0.1782 cents, which would yield \$3,126.00 dollars per year to provide protection of the annexed area.

NYE COUNTY

TOWN OF TONOPAH

Question No. 1 - Parks and Recreation: Property Tax

*Shall the Town Board of the Unincorporated Town of Tonopah be authorized to levy an additional property (ad valorem) tax rate in the amount of up to \$0.12 per \$100 assessed valuation for maintaining the Town's Parks and the Town's Recreational programs for a period of up to twelve (12) years, commencing July 1, 2010? The costs for the owner of a new \$100,000 home is estimated to be an additional Thirty-Nine Dollars (\$39.00) per year. If this question is approved by the voters, **any property tax levied will be outside of the caps on a taxpayer's liability for property (ad valorem) taxes established by the legislature in the 2005 session.** (Emphasis added.)*

PERSHING COUNTY

Question - School District Bond: Rollover

*Shall Pershing County School District be authorized to issue general obligation school bonds to finance the acquisition, construction, improvement and equipping of school facilities? Taxes generated by the District's existing school bond property tax rate may be used for capital projects if they are not needed for the payment of the bonds and purposes related to bonds, including the required reserves. District projections at the time the bonds are issued must indicate that issuance of the bonds **will not result in an increase of the existing school bond property tax rate of 40 cents per \$100 of assessed value.** If approved, this authorization will expire November 4, 2018. (Emphasis added.)*

FINANCIAL EFFECT: The maximum principal amount of bonds to be issued will not exceed that which the Board of Trustees and the Debt Management Commission determines can be repaid without increasing the District's existing tax levy for school bonds. The maximum term of the bonds is 30 years, but the Board expects that the bonds will have a 20 year term. The annual operation, maintenance and repair costs of the facilities expected to be financed with the bonds are estimated to average \$4.57 per square foot. These are normal operation, maintenance and repair costs and will be paid from the District's general operation budget and are not expected to affect the tax rate. The Board expects that all future costs (other than bond payments) in relation to the purpose for which the bonds are to be issued, will be paid from other revenues of the District. There are no requirements relating to the bond proposal which are imposed pursuant to a court order or federal or State statute.

STOREY COUNTY

Question No. 1 - Water Permits

Shall Storey County require all future applicants for master plan amendment, zoning map amendment, planned unit development or other planning or zoning applications, which involve residential development to identify water sources and obtain permits for such water sources prior to any consideration of the application by the Storey County Planning Commission or Storey County Board of Commissioners?

STOREY COUNTY CONTINUED

Question No. 2 - Sustainable Water Resources

Shall the Storey County Code be amended to reflect and require that approval of any planning and zoning applications for residential purposes be based on the sustainable water resources within the County unless there is a vote of approval by the Storey County Board of Commissioner approving the applicant's acquisition of water resources from outside the County, with all costs associated with such acquisition to be absorbed by the applicant?

WASHOE COUNTY

Question 1 - School District Taxes

Shall the Board of County Commissioners of Washoe County be authorized to adopt an ordinance imposing an additional one-quarter percent sales and use tax in Washoe County beginning on July 1, 2009, and impose an additional governmental services tax of one-half cent per \$1.00 valuation of vehicles based in Washoe County beginning on July 1, 2009, for the purposes acquiring, constructing, improving and equipping school facilities for the Washoe County School District?

FINANCIAL EFFECT: The sales tax and governmental services tax are projected to raise approximately \$23.5 million annually. The amount will be used to back \$393 million in bonds between now and 2014 (to be used exclusively for renewal, repairs, and revitalization).

An average household can expect to pay an additional \$25 per year if it spends \$10,000 on taxable items in one year, and, on average, an additional \$14.68 per year on vehicle registration.

Question 2 - Regional Transportation Commission: Sales Tax

Shall the Washoe County Board of Commissioners impose an additional 1/8 of one per cent of general sales and use tax collected in the County as authorized under NRS377A to be used for public transit?

FINANCIAL EFFECT: The daily cost of this 1/8 of 1% increase in the sales and use tax is expected to be 16 cents* for the typical Washoe County household. This tax would remain in effect until such time as the Regional Transportation Commission (RTC) ceases the operation of public mass transit services in Washoe County.

* per day

If this measure is passed, the Regional Transportation Commission may sell bonds payable from the tax that are backed by the full faith and credit of the Commission. Following the levy of the tax, additional expenses are expected to be incurred for the operation and maintenance of the mass transit vehicles and facilities acquired with this additional tax, which will be paid for by the tax or from existing RTC resources.

Question 3 - Sustainable Water Resources

Shall The Truckee Meadows Regional Plan be amended to reflect and to include a policy or policies, requiring that local government land use plans be based upon and in balance with identified and sustainable water resources available within Washoe County?

Question No. 4 - Sierra Fire Protection District Property Tax Bonds

*Shall the Sierra Fire Protection District be authorized to issue up to \$5,200,000 of general obligation bonds for the purpose of defraying the cost of acquiring, constructing, improving and equipping fire stations and acquiring fire engines and fire fighting equipment and to levy an additional property tax rate for the purpose of staffing, operating, maintaining and equipping the fire stations and acquiring and improving fire engines and fire fighting equipment of up to 4.5 cents per \$100 of assessed valuation for a period of 30 years? The bonds are expected to require a property tax levy for 30 years. The bonds are estimated to result in an increase in the property taxes that the owner of a new \$100,000 home will pay, which will average \$4.74 per year. In addition, the cost of the property tax levy for the owner of a new \$100,000 home is estimated to be \$15.75 per year. If this question is approved by the voters, **any property tax levied as authorized by this question will be outside of the caps on a taxpayer's liability for property (ad valorem) taxes established by the legislature in the 2005 session.** (Emphasis added.)*

Question 5 - Advisory: Regional Transportation Commission

Shall the Washoe County Board of Commissioners seek state legislation for the Regional Transportation Commission (RTC) to obtain necessary additional funding for transportation projects that will reduce traffic congestion, improve air quality, and repair and maintain roads in the Truckee Meadows?

WASHOE COUNTY CONTINUED

FINANCIAL INFORMATION: Currently the local portion of the gas tax is indexed to the Consumer Price Increase. If this question is approved authority would be requested to change the index to Construction Inflation. Additionally the inflation index would be expanded to include the state and federal portions of the gas tax and the state and federal portions of the diesel tax.

Question No. 6 - Advisory: Room Tax Increase

Do you support the imposition of an additional hotel and motel room tax of not more than 3 percent to be used in the first 2 years after imposition to avoid large cuts in the funding of education and other state programs and to be used thereafter to increase the funding of K-12 Education, specific Advisory ly to improve student achievement and for salaries of non-administrative educational personnel?

FINANCIAL EFFECT: Please see Clark County Question No. 5, page 5 for explanation.

NTA COMMENT: In addition to Lander County, only two counties Clark and Washoe, have placed this question on their ballots.

NTA POSITION: OPPOSE. This question is known as "Ballot Box Budgeting". Please see "Clark County Question No. 5" on page 5 for position statement.

INCLINE VILLAGE GID

Question No. 7 - Advisory: Create Unincorporated Town -

This question is advisory only: Do you support the reorganization of the Incline Village General Improvement District into the unincorporated Town of Incline Village?

WHITE PINE COUNTY

Question - School District Bond - Rollover

*Shall White Pine County School District be authorized to issue general obligation school bonds to finance the acquisition, construction, improvement and equipping of school facilities? Taxes generated by the District's existing school bond property tax rate may be used for capital projects if they are not needed for the payment of the bonds and purposes related to bonds, including the required reserves. District projections at the time the bonds are issued must indicate that issuance of the bonds **will not result in an increase of the existing school bond property tax rate of 24.9 cents per \$100 of assessed value.** If approved, this authorization will*

expire November 4, 2018. (Emphasis added)

FINANCIAL EFFECT: The maximum principal amount of bonds to be issued will not exceed that which the Board of Trustees and the Debt Management Commission determines can be repaid without increasing the District's existing tax levy for school bonds. The maximum term of the bonds is 30 years, but the Board expects that the bonds will have a 20 year term. The annual operations, maintenance and repair costs of the facilities expected to be financed with the bonds are estimated to average \$3.72 per square foot. These are normal operation, maintenance and repair costs and will be paid from the District's general operation budget and are not expected to affect the tax rate. The Board expects that all future costs (other than bond payments) in relation to the purpose for which the bonds are to be issued, will be paid from other revenues of the District.

Clerks and Registrars continued from page 2

Lander County County Clerk - Gladys Burris
(775)-635-5738
Website: www.landercounty.org

Lincoln County County Clerk - Lisa Lloyd
(775)-962-5390
Website: www.lincolncountynevada.com

Lyon County County Clerk - Nikki A Bryan
(775)-463-6501
Website: www.lyon-county.org

Mineral County County Clerk - Cherrie A. George
(775)-945-2446
Email: clerk-treasurer@mineralcountynv.org

Nye County County Clerk - Sandra L. "Sam" Merlino
(775)-482-8127
Website: www.co.nye.nv.us

Pershing County County Clerk - Donna Giles
(775)-273-2208
Email: dgiles@pershingcounty.net

Storey County County Clerk - Vanessa Dixon
(775)-847-0969
Email: vdixon@storeycounty.org

Washoe County Registrar of Voters - Dan Burk
(775)-328-3670
Website: www.co.washoe.nv.us/voters

White Pine County County Clerk - Jo Ann Malone
(775)-289-2341
Website: www.whitepinecounty.com

SOME WIT AND WISDOM ABOUT DEMOCRACY

At the bottom of all the tributes paid to democracy is the little man, walking into the little booth, with a little pencil, making a little cross on a little bit of paper - no amount of rhetoric or voluminous discussion can possibly diminish the overwhelming importance of the point.

Winston S. Churchill - Prime Minister, Great Britain

People often say that in a democracy, decisions are made by a majority of the people. Of course, that is not true. Decisions are made by a majority of those who make themselves heard and who vote - a very different thing.

Walter Judd.- U.S. Congressman, Minnesota

Democracy . . . is a charming form of government, full of variety and disorder, and dispensing a sort of equality to equals and unequals alike.

Plato - Greek Philosopher

TAX TOPICS

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NEVADA TAXPAYERS ASSOCIATION

501 South Carson Street - Suite 301
Carson City, Nevada 89701
(775) 882-2697
FAX (775) 882-8938

and

2303 East Sahara Avenue - Suite 203
Las Vegas, Nevada 89104
(702) 457-8442
FAX (702) 457-6361

www.nevadataxpayers.org
