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STATE FISCAL OFFICERS OPPOSE BUSINESS LICENSE FEE TAX INCREASE

Carson City, NV, April 21, 2015. Nevada's Fiscal Constitutional officers expressed their disappointment with the Nevada State Senate's passage of the \$438-million hike instituting the business license tax this morning. This tax is essentially the same as the gross margins tax that Nevada voters rejected four-to-one just five months ago. The Treasurer and Controller pointed out that other alternatives have been suggested:

- Postponing several items in the Governor's \$900 million in new expenditures (Treasurer)
- A \$0.25 point-of-sale tax on hotel restaurant/bar receipts (Treasurer)
- Various new revenues that do not require tax increases or new taxes (Controller)
- Block grants and local flexibility in spending that would save hundreds of millions of dollars annually (Controller)

They thanked Senators Pete Goicoechea, Don Gustavson, Scott Hammond and James Settelmeyer, who opposed the bill.

"To propose a tax that has been explicitly rejected by Nevada voters displays a blatant disregard for the democratic process. The Governor has called for alternatives. Those have been provided. They should be considered along with reprioritizing several proposed expenditures," said Treasurer Dan Schwartz,

"In the 2003 session, I witnessed firsthand the same tactics and passing of a similar destructive tax bill. It divided all parties badly and required two special sessions to repair the damage," said State Controller Ron Knecht. "This time, I've worked with a group of Assembly members, and we've offered a compromise budget plan without any new or increased taxes that grows government slower than Nevada's economy and secures the educational goals proposed by the Governor. The Assembly needs to take up this pro-growth plan."

The two officers ask the Assembly to reject the tax hike. They also respectfully requested that the Governor sit down with the Constitutional Officers and Assembly leaders to formulate a budget that honors both the Governor's program to improve education as well as the wishes of Nevada voters.