

Casino Connection

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Tax Time

Tourism revenues keeps the Silver State income-tax free

by Bill Bible



April 15th is a day tax-payers dread and professional tax-preparers want to get behind them. As the date approaches, each of us engages in our own tax filing ritual. Some file their federal personal income taxes the moment they receive their W-2 in the mail. Others scramble to put together all the year's receipts, invoices and related tax documents to hand over to an overwhelmed professional tax person. Then there are those who wait until they finally realize they have five hours to prepare their return and dash to the post office to meet the midnight filing deadline for tax returns. But one thing is for certain: No matter what your ritual or what your approach to the Internal Revenue Service happens to be, there is one common thread among all Nevada workers—none of us pays a Nevada state or local personal income tax.

Many new residents to the Silver State know Nevada is one of the few jurisdictions in the country which does not have personal income taxes. Many also know that personal income taxes are a primary funding source for most governmental budgets but this is not true for Nevada. But most do not know why there is no personal income tax in Nevada.

The answer is simple. Nearly 50 percent of Nevada's state's budget is directly or indirectly funded by our gaming and resort industry. As Nevada's largest industry, tourism pays more than \$1.3 billion in general fund tax revenue annually, with many millions of dollars a year more being paid by the 215,000 resort employees through property, sales and motor vehicle taxes. Resort employees' hard work contribute to the industry's health and allows others, including doctors, firemen, police officers and teachers to live in Nevada without the burdens of a personal income tax. This makes Nevada more affordable to live in and provides more money for life's necessities, such as food, transportation, housing and daycare.

For those that have moved from places like California, no personal income tax can mean a take home income increase anywhere from 6 percent to 10 percent.

In fact, Nevada families enjoy the fourth-lowest tax burden in the nation

according to a recent tax study prepared by the chief financial officer of the government of the District of Columbia.

But we all should remember that relying on our tourism industry to fund such a large portion of the state budget makes us dependent on the health of our tourism industry. We all must be constantly diligent in doing our best and making our industry better every day because not only our families but all Nevada families depend on the success of our state's resort industry. The 51 million visitors Nevada entertained last year helped make sure an extra 6 percent to 10 percent income is in your pocket and not in the state budget.

If you are one of those that prepare your federal taxes at the 11th hour, or if you have already filed, please remember that Nevada offers a better quality of life not only for your family but all Nevada families because each and every resort employee continues to make Nevada one of the world's most unique and attractive places to live and visit.

Casino Connection Nevada contributing editor Bill Bible is the president of the Nevada Resort Association. Bible has a long history with the state of Nevada and the gaming industry. He has served as a controller for Nevada, the chairman of the state Gaming Control Board, and a member of the National Gambling Impact Study Commission.