

**IT'S TIME FOR GAMING'S FAIR SHARE AND ELIMINATE PROPERTY TAXES**

DEC 1 2007

Explanation - Content in bold-faced type is new.

SECRETARY OF STATE

THE PEOPLE OF THE STATE OF NEVADA DO ENACT AS FOLLOWS

Article 10 of the Constitution of the State of Nevada is hereby amended by adding thereto a new section to be designated Section 7, to read as follows:

Sec. 7. Notwithstanding any other provision of this Constitution to the contrary:

1. The tax on commercial gaming shall be changed from 6.75 percent on gross revenue, currently the lowest rate in the United States, to a new and higher rate. The new rate will be determined each year by averaging the maximum gaming tax that is currently paid by casinos in other states where commercial gaming exists. Currently, the maximum rates paid in the other states are as follows:

STATE	TAX RATE
Colorado	20%
Illinois	50%
Indiana	35%
Iowa	22%
Louisiana	21.5%
Michigan	24% (11.9% to state + 12.1 to local)
Mississippi	12% (8% to state, + 4% to local)
Missouri	20%
New Jersey	8%
South Dakota	8%

The new rate will only apply to the gross revenue of the gaming licensee that exceeds \$1,000,000 per calendar month. Indian casinos in the United States shall not be factored into this formula. Each year when the fiscal year begins, the Treasurer of Nevada shall determine what the maximum average gaming tax is in the other states that permit commercial gaming.

Out of the increase in the gaming tax above the 6.75% rate, the Treasurer of Nevada shall deposit such increased funds in a separate interest bearing trust fund. The obligation of paying real property taxes on residential homes is hereby eliminated for Nevada residents who are living in Nevada homes that are their primary residence. The Treasurer of Nevada shall use the additional gaming taxes collected to reimburse each county for the revenue lost by the elimination of property taxes on owner occupied primary residential homes. All obligations on existing bonds on primary residential homes shall be exempted from this amendment. After all the counties have been reimbursed for the property tax revenue on primary homes, all the remaining gaming revenue above the 6.75% collected shall be distributed as follows: The Treasurer of Nevada shall earmark and solely use the remaining additional gaming taxes collected to be distributed as follows:

2. In order to prevent future gridlock on Nevada streets and highways, thirty-five (35) percent of these funds shall be allocated to the regional transportation commissions in Nevada, and to the areas without a regional transportation commission, directly to the various counties. These funds shall be for road construction, highway improvements, infrastructure repair and other transportation improvements. The amount to be distributed to each county shall be in proportion to the number of vehicles registered with the state within that county.

3. Since Nevada school teachers are some of the lowest paid in the United States, twenty-five (25) percent shall be allocated and disbursed to increase the salaries of school teachers and on site personnel as set forth on the teacher's pay scale working at a public school site. No portion of such funds shall be allocated to administrative personnel, those working in administrative offices, or to any costs associated with any administrative office. The State Treasurer shall make a direct payment to each person receiving the salary increase at the end of the fiscal year and equally pro-rate the disbursements.

4. To prevent the financial collapse of the millennium scholarship fund, five percent shall be used to fund the millennium scholarship program at the campuses of the University of Nevada in Reno and in Las Vegas.

5. In order to ensure that the Nevada court system remains independent of the legislative and executive branch, and to ensure that the court system remains independent of the respective county commissions, ten (10) percent shall be for the Supreme Court Administrative Office to fund the salaries, staffs, and office expenses of elected District Court Judges and elected Supreme Court Justices to relieve the counties from paying for and providing the staff and office expenses of the courts.

6. In order to secure lower electric power rates, to promote energy independence and reduce our dependence on foreign oil, and to insure an adequate source of water for the state's future water needs, twenty-five (25) percent shall be to fund the future energy and water needs of the state. The revenue obtained shall provide for the construction of aqueducts from sources outside of Nevada, or for the other costs associated with transporting, desalinating or purifying water, and for the purchase, construction, operation and maintenance of solar, wind or geothermal power plants that generate commercial or individual homeowner electrical power. The State Treasurer shall disburse such funds to the Public Utilities Commission for the construction of solar, wind, or geothermal power plants and for the construction of the water transportation and purifying systems. The Public Utilities Commission shall not award these construction contracts without consulting with the Engineering Departments in the University of Nevada system.

7. Any natural person in the State of Nevada shall have standing to enforce the provisions of this initiative. Each and every right provided herein shall be self-executing and need no additional statutory implementation.

8. Any provision contained in this section shall be deemed a separate and freestanding right and shall remain in full force and effect should any other provision contained in this section be stricken for any reason.

**DESCRIPTION OF EFFECT**

- The following constitutional provisions shall supersede all conflicting Nevada law regarding taxes on gaming:
- The tax on commercial gaming shall be changed from 6.75%, the lowest rate in the country to the average gaming tax paid by casinos in other states.
- The first 6.75% of revenue collected shall continue to go into the general fund.
- The Treasurer shall set up a trust fund to spend the additional revenue as follows:
  - Eliminate property taxes for residents living in their primary residence, and then reimburse the counties for the revenue lost, the remaining funds shall be spent as follows:
    - 35% for road construction, highway improvements, and transportation infrastructure.
    - 25% to increase the salaries of public school teachers.
    - 5% for millennium scholarships.
    - 10% to fund the courts in Nevada.
    - 25% to the Public Utilities Commission to fund the construction of solar, wind, and geothermal power plants, and to fund the construction of aqueducts that transport water from outside Nevada to be desalinated or purified. The Public Utilities Commission shall oversee the construction and maintenance of these projects in consultation with the engineering departments in the University of Nevada system.

County of \_\_\_\_\_ (Only registered voters of this county may sign below)

<b>1</b>	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	This space for office use only
	YOUR SIGNATURE _____ DATE _____	CITY _____ ZIP _____ COUNTY _____	
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**AFFIDAVIT OF CIRCULATOR  
(TO BE SIGNED BY CIRCULATOR)**

STATE OF NEVADA            )  
  )  
COUNTY OF \_\_\_\_\_)

I, \_\_\_\_\_, (print name), being first duly sworn under penalty of perjury, depose and say:

- (1) that I reside at \_\_\_\_\_ (print street, city and state);
- (2) that I am 18 years of age or older;
- (3) that I personally circulated this document;
- (4) that all signatures were affixed in my presence
- (5) that I believe each person who signed was at the time of signing a registered voter in the county of his or her residence;
- (6) the number of signatures thereon is \_\_\_\_\_;and
- (7) that each signer had an opportunity before signing to read the full text of the act or resolution on which the initiative or referendum is demanded.

\_\_\_\_\_  
Signature of Circulator

Subscribed and sworn to or affirmed before me this

\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_

\_\_\_\_\_  
Notary Public or person authorized to administer oath