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April 19, 2011

Mr. Tim Crowley, President
Nevada Mining Association
9210 Prototype Drive, Suite 200
Reno, Nevada, 89521

Sent via email (tim@nevadamining.org)

RE: Allocation of Mining Tax Payments in Nevada

Dear Mr. Crowley,

Applied Analysis has been asked by the Nevada Mining Association (the "Association") to estimate the percentage distribution of major state and local taxes paid by mining among governmental entities in rural and urban counties. These taxes include Net Proceeds of Mines, sales and use tax, property tax, and Modified Business Tax. Applied Analysis has examined historical distributions of these taxes, and the rates applicable to each. This memorandum provides an estimated distribution for each tax, applying the mechanisms prescribed in Nevada's Constitution and statutes, using information from the Nevada Department of Taxation, state budget files, and other sources as cited. In addition, the contribution of public revenue by mining counties to the state as a whole is examined. As we discussed, this is a preliminary analysis based on a cursory review.

FINDINGS IN SUMMARY

Our analysis would indicate that the majority of taxes paid by mining benefit the state budget rather than remaining in the counties in which mining is conducted. Applying the statutory distribution for net proceeds, property, sales, and modified business taxes to payments reported by the Nevada Department of Taxation and, where noted, industry surveys performed for the Association, 61.9 percent of taxes paid by the industry was distributed either directly or indirectly to the benefit of state government, and 38.1 percent was distributed to local entities in the counties where mining takes place.

These findings applied to the major taxes paid are summarized in Table 1 on page 2.



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Table 1 -- Estimated Percentage Distribution of Combined Taxes

Tax Levy	FY 2009-10 Tax Paid	Percent To State	Percent To County	Distribution To State	Distribution To County	Total Distributions
Net Proceeds	\$ 97,578,118	66.0%	34.0%	\$ 64,448,782	\$ 33,129,337	
Property	\$ 33,000,000	37.4%	62.6%	\$ 12,336,998	\$ 20,663,002	
Sales	\$ 69,389,000	65.8%	34.2%	\$ 45,646,923	\$ 23,742,077	
Modified Business	\$ 3,700,000	100.0%	0.0%	\$ 3,700,000	\$ -	
Total	\$ 203,667,118			\$ 126,132,702	\$ 77,534,416	\$ 203,667,118
				61.9%	38.1%	100.0%

In addition, our analysis found that the distribution of taxes revenue paid by the mining industry is heavily skewed toward counties in which relatively little mining takes place. This is the case because mining taxes allocated to the benefit of the state are commingled with other revenue in the state's general and debt service funds, and the Distributive School Account. These resources are then allocated by the Legislature in the form of state-supported services and capital improvements: not according to the origin of the revenue, but based largely on population-driven parameters such as caseloads, patient counts, or K-12 and higher education enrollments. Hence, of the \$126.1 million in revenue inuring to the benefit of the state in Table 1, \$110.2 million, or 87.4 percent can be shown as distributed to Clark and Washoe Counties based on population. At the opposite end of the spectrum, Eureka, Humboldt, and Lander Counties - the largest generators of mining taxes -- "export" \$93.0 million for state-wide services.

NET PROCEEDS OF MINES

The Nevada Constitution provides that Net Proceeds of Mines revenue is distributed at the local level in proportion to the property tax rates in each jurisdiction within a county, and that the residual revenue representing the difference between the sum of the "local" shares within each county, and the maximum net proceeds rate levied is allocated to the state. Since property tax rates vary among counties, the distribution also varies depending on where net proceeds arise. However, since the same counties have historically produced the preponderance of net proceeds, the mix of tax rates used to apportion the revenue has changed relatively little over time; and, the distribution has remained very close to 50.0 percent. Over the last five years, the average is 49.4 percent "county" and 50.6 percent "state".

Notably, after the Nevada Department of Taxation distributes Net Proceeds of Mines taxes to county treasurers, a significant portion of this revenue is then forwarded to school districts, where it comprises part of the property tax revenue deducted from the state's obligation for K-12 public education. Although it is classified as a "local" revenue, this part of the distribution does not provide net benefit to counties, but is instead de facto state revenue. When this part of the distribution is accounted for, we estimate the actual



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distribution is 66.0 percent to the state and 34.0 percent to counties. The calculation of this estimate is shown in Appendix 1, attached to this memorandum.

SALES AND USE TAX

Mining operations pay significant amounts of sales and use taxes. Depending on the county in which delivery of taxable goods take place, the total sales tax rate varies. A composite tax rate, weighted by the amount of deductible mining expense incurred in each county, was derived and applied to the total amount of sales and use tax paid by the industry. The sales tax rates varied from 6.850 percent to 8.100 percent among counties. As expected, the composite average of 6.993 percent was relatively low, because most mining expenses are incurred in counties with very low local rates, skewing the percentage distribution in favor of the state.

Based on the sales tax rates in each county where mining expense is incurred, and taking into account that the largest component of these rates is the state-levied 2.6 percent public school rate (i.e., the Local School Support Tax) which acts as a de facto state revenue; it is estimated that approximately 65.8 percent of sales taxes inure to the benefit of the state and 34.2 percent of these taxes remain in the counties where mining takes place. The calculation of this estimate is shown in Appendix 2, attached to this memorandum.

PROPERTY TAX

The mining industry pays property taxes on its equipment and machinery. Since property tax rates vary by county, a composite average property tax rate was compiled for these purposes, resulting in an estimated 37.4 percent distribution in favor of the state and 62.6 to counties. Appendix 3 shows this calculation.

MODIFIED BUSINESS TAX

The Modified Business Tax is collected only by the state, and all proceeds are deposited to the state general fund.

REVENUE CONTRIBUTION OF MINING COUNTIES

While other portions of this analysis have focused on aggregate distributions of taxes paid by mining, it is also relevant to consider the size of the counties and populations generating these revenues relative to that of the state as a whole. For FY 2010, the last year for which the Department of Taxation has released a final version of its Net Proceeds of Mines Bulletin, Eureka County, with 0.1 percent of the state's population produced 43.7 percent of all net proceeds. The same analysis shows the top five net proceeds producing counties, with only 3.0 percent of Nevada's population, produced 86.8 of all net proceeds; and the top nine net proceeds producing counties, with only 6.3 percent of the



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population produced 99.2 percent of all net proceeds. Applying net proceeds as the driver for the taxes shown earlier in Table 1, it could be said that 6.3 percent of Nevada's population produced 99.2 percent of \$203.7 million – or \$202.0 million - in tax revenue, of which \$126.1 million accrued to the benefit of the state as a whole, where the remaining 93.7 percent of the population lives. Appendix 4 reflects the distribution of population and production of net proceeds.

A tax distribution favoring the state, coupled with the industry's concentration in the less populous counties creates a massive exportation of revenue from mining counties to non-mining counties. To illustrate this phenomenon, Table 2 below shows the distribution of the four combined taxes by county, using the incidence of net proceeds; mining expenditures; and property tax rates as reported by the Nevada Department of Taxation; and the current sales tax rates. Each contribution is then compared to a population-based redistribution of state appropriations. The result is that nine counties exported a total of \$117.4 million in mining taxes, and eight counties imported the same amount. Together, Clark and Washoe Counties capture \$109.3 million, or 93.1 percent of the taxes exported by the mining counties. Of particular note, Eureka County alone exports \$62.7 million; while Carson City, which generated no net proceeds, is allocated \$2.6 million.

Table 2 - Est. Import and (Export) of Major Mining Taxes by County

County	County, Cities, Special Districts	State Including State K-12 Education	Est. Redistribution from State	Net Import (Export) by County
Clark	\$ 252,387	\$ 302,107	\$ 90,814,229	\$ 90,512,121
Washoe	\$ 569,834	\$ 584,877	\$ 19,382,858	\$ 18,797,981
Carson City	\$ -	\$ -	\$ 2,628,813	\$ 2,628,813
Lyon	\$ 48,855	\$ 92,690	\$ 2,504,086	\$ 2,411,396
Douglas	\$ 5,188	\$ 5,932	\$ 2,390,803	\$ 2,384,871
Churchill	\$ 1,088,661	\$ 992,981	\$ 1,249,554	\$ 256,573
Lincoln	\$ 7,709	\$ 8,547	\$ 200,839	\$ 192,291
Storey	\$ 16,163	\$ 13,271	\$ 200,839	\$ 187,568
Esmeralda	\$ 137,559	\$ 151,241	\$ 55,222	\$ (96,018)
Mineral	\$ 465,907	\$ 406,315	\$ 208,143	\$ (198,172)
Pershing	\$ 1,404,917	\$ 1,797,708	\$ 332,591	\$ (1,465,117)
Nye	\$ 8,009,808	\$ 8,863,421	\$ 2,156,794	\$ (6,706,627)
Elko	\$ 6,601,295	\$ 9,966,805	\$ 2,387,779	\$ (7,579,026)
White Pine	\$ 9,162,812	\$ 8,770,414	\$ 445,223	\$ (8,325,191)
Lander	\$ 11,283,610	\$ 14,104,125	\$ 279,276	\$ (13,824,849)
Humboldt	\$ 9,866,360	\$ 17,276,902	\$ 822,987	\$ (16,453,915)
Eureka	\$ 28,613,350	\$ 62,795,367	\$ 72,669	\$ (62,722,699)
Total Distribution	\$ 77,534,416	\$ 126,132,703	\$ 126,132,703	\$ -



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Since the state funds services differently in some counties, we tested this population-based analysis by applying the average K-12 funding ratio for the three counties generating the largest net proceeds to the redistributions for all exporting counties; and found the net exportation would only change by \$4.6 million, or 3.9 percent of the total exported. This test simulated a level of direct state appropriations unlikely to be realized, as the state uses no specific cost differential for most of these services. In fact, some state-supported programs for public assistance and higher education have no full-time physical presence in some counties, and may offer services only on a circuit basis, through online technology, or both. Although some state correctional facilities are placed in rural areas, these generally house inmates from urban counties and no major correctional facilities are located in the three counties generating over two-thirds of all net proceeds. As such, the sparse availability of state services in the major mining counties argues against notions that exportation of mining taxes is offset by state appropriations. Considering these factors, the overwhelming magnitude of these findings is such that the outcome of other studies may vary only in the exact amount of such export; but not in the conclusion that significant exportation exists.

CONCLUSION

Combining 66.0 percent of net proceeds taxes, 65.8 percent of sales taxes, 37.4 percent of property taxes, and 100 percent of modified business taxes, the state benefits from 61.9 percent of the major taxes paid by the mining industry; leaving 38.1 percent of these revenues to local governments in the counties where mining takes place.

The exact percentage distribution may vary from year to year according to the percentage of state-wide net proceeds, sales, and property taxes contributed by each county. However, the findings presented here are remarkably similar to those previously provided to the Association for prior years, wherein it was estimated the state benefitted, directly and indirectly, from 60.7 percent of taxes paid by the industry, and that 39.3 percent was distributed to local entities in the counties where mining is conducted. As indicated, such is the case because the vast majority of successful mining activity has been ongoing in substantially the same counties for a number of years; hence the tax rates governing the distribution have remained relatively proportional to each other.

METHODOLOGY AND APPLICABILITY OF FINDINGS

This report addresses the estimated distribution of tax revenues based on the Nevada Revised Statutes and the Nevada Constitution, data from Nevada Department of Taxation, and sources from the Association. Where noted, indices of taxable mining activity were derived from net and gross proceeds reported by the Department.



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This analysis does not speculate whether the distributions benefitting the state budget would be episodically reallocated to mining counties through the legislative process. To the contrary, net proceeds, sales, and property taxes are by statute deducted from state financial responsibility for K-12, and are not subject to any formula returning any of the state's benefit to counties, cities, or special districts. Further, Modified Business Tax receipts alone have never been cited as a causal factor justifying an appropriation to a local government. Therefore, the estimated distributions of revenue herein are based only on the application of rates and formulas required under Nevada law.

Regarding the possibility that significant changes in the mix of taxes paid by the industry in any given year may vary significantly from that of recent years, we further tested the distribution by hypothetically eliminating either net proceeds or sales taxes entirely from the data and still found the majority of taxes as benefitting the state budget more than local governments. We, therefore, believe it is unlikely that aberrations in a given year will result in the state budget being the minority beneficiary of these taxes.

As with any analysis, there are limitations that must be considered when drawing conclusions from the data utilized, including without limitation the fact that information contained in this report is subject to change due to timing of reporting and future events.

Applied Analysis is pleased to assist the Association in this regard. Should you have further questions or require additional information, please do not hesitate to call on us.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Aguero'.

Jeremy A. Aguero



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Appendices

Urban Economics
Market Analysis
Financial Advisory Services
Public Policy
Hospitality & Gaming Industry
Information Technology

Appendix 1

Percentage of Net Proceeds Benefitting State and Local Government

Net Proceeds Of Minerals Tax Distribution

County	FY 2009-10		
Carson City	\$	-	
Churchill	\$	605,814	
Clark	\$	56,920	
Douglas	\$	4,409	
Elko	\$	4,239,308	
Esmeralda	\$	99,587	
Eureka	\$	15,459,291	
Humboldt	\$	5,278,151	
Lander	\$	6,832,021	
Lincoln	\$	4,071	
Lyon	\$	2,443	
Mineral	\$	377,815	
Nye	\$	5,973,361	
Pershing	\$	866,361	
Storey	\$	9,455	
Washoe	\$	259,433	
White Pine	\$	6,347,032	
Total County Distribution	\$	46,415,472	
State Debt Service Fund	\$	3,349,193	
State General Fund	\$	47,813,453	
Penalties & Interest	\$	-	
Total State Direct Distribution	\$	51,162,646	
Grand Total		97,578,118	
State Indirect Distribution - 75 Cent	\$	13,286,136	
Net State Distribution Including K-12	\$	64,448,782	66.0%
Net County Distribution		33,129,337	34.0%
Grand Total	\$	97,578,118	100.0%

Source: 2010 Net Proceeds of Minerals, Nevada Department of Taxation (2009 Operations). Percentage Calculations by Applied Analysis.

Appendix 2
Sales Tax Percentage Distribution Summary

Sales Tax Levy	Rate	Percentage of Proceeds	Percent to State & Urban Counties	Percent to Local Govt.
State General Fund	2.000%	28.6%	28.6%	
State-levied K-12 Operating	2.600%	37.2%	37.2%	
Counties, Cities, Special Districts	2.393%	34.2%		34.2%
Total	6.993%	100.0%	65.8%	34.2%

Weighted Average Sales Tax Rate Based on Expenditure Activity

COUNTY	Total Rate	2009		2009		Est. 2009 Distribution	Blended Rate Exp. X Rate
		Gross	Net	Expense			
CARSON CITY	7.475%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CHURCHILL	7.600%	\$ 75,319,879	\$ 21,787,396	\$ 53,532,483	\$ 919,464	\$ 4,068,469	\$ 4,068,469
CLARK	8.100%	\$ 23,747,896	\$ 2,320,622	\$ 21,427,274	\$ 368,031	\$ 1,735,609	\$ 1,735,609
DOUGLAS	7.100%	\$ 171,090	\$ 171,090	\$ -	\$ -	\$ -	\$ -
ELKO	6.850%	\$ 462,598,608	\$ 158,496,177	\$ 304,102,431	\$ 5,223,208	\$ 20,831,017	\$ 20,831,017
ESMERALDA	6.850%	\$ 7,916,522	\$ 3,494,904	\$ 4,421,618	\$ 75,945	\$ 302,881	\$ 302,881
EUREKA	6.850%	\$ 2,430,479,950	\$ 773,595,408	\$ 1,656,884,542	\$ 28,458,347	\$ 113,496,591	\$ 113,496,591
HUMBOLDT	6.850%	\$ 820,694,682	\$ 249,577,161	\$ 571,117,521	\$ 9,809,410	\$ 39,121,550	\$ 39,121,550
LANDER	7.100%	\$ 850,251,157	\$ 182,403,220	\$ 667,847,937	\$ 11,470,834	\$ 47,417,204	\$ 47,417,204
LINCOLN	7.100%	\$ 668,430	\$ 112,192	\$ 556,238	\$ 9,554	\$ 39,493	\$ 39,493
LYON	7.100%	\$ 7,584,712	\$ 92,101	\$ 7,492,611	\$ 128,692	\$ 531,975	\$ 531,975
MINERAL	6.850%	\$ 21,801,569	\$ 10,718,794	\$ 11,082,775	\$ 190,356	\$ 759,170	\$ 759,170
NYE	7.100%	\$ 444,545,164	\$ 160,724,331	\$ 283,820,833	\$ 4,874,855	\$ 20,151,279	\$ 20,151,279
PERSHING	7.100%	\$ 99,872,741	\$ 28,920,579	\$ 70,952,162	\$ 1,218,661	\$ 5,037,604	\$ 5,037,604
STOREY	7.600%	\$ 1,082,361	\$ 287,319	\$ 795,042	\$ 13,655	\$ 60,423	\$ 60,423
WASHOE	7.725%	\$ 45,492,920	\$ 7,085,807	\$ 38,407,113	\$ 659,674	\$ 2,966,949	\$ 2,966,949
WHITE PINE	7.475%	\$ 518,401,007	\$ 170,917,462	\$ 347,483,545	\$ 5,968,314	\$ 25,974,395	\$ 25,974,395
Gross, Net, Expense, & Blended Rate		\$ 5,810,628,688	\$ 1,770,704,563	\$ 4,039,924,125	\$ 69,389,000	\$ 282,494,609	\$ 282,494,609
Sales Tax per Industry Survey by Nevada Mining Association							
Percent Sales Tax of Expenses					1.72%		
Blended Rate							6.993%

Source: 2009-10 Net Proceeds of Minerals by Nevada Department of Taxation. Amounts Cited for sales taxes paid from Economic Overview of the Nevada Mining Industry 2009 from the Nevada Mining Association.

Appendix 3

Estimation of State-Wide Weighted Average Property Tax Rate by Incidence of Net Proceeds

County	2009 Net Proceeds	State Debt	State K-12 Operating	FY 2009-10		FY 2009-10		Estimated		Estimated		NPM Volume Extended by FY 2009-10 State Rates	Estimated Weighted Average State Dist
				Local Rates NDT Average	Total Rates NDT Average	Percent State Dist.	Percent Each County	Local Dist. EA. County	Percent Local Dist.				
Carson City	\$ -	0.17	0.75	2,3402	3,2602	28.22%	71.78%	\$ -					
Churchill	\$ 21,787,396	0.17	0.75	2,1549	3,0749	29.92%	70.08%	\$ 6,518,717					
Clark	\$ 2,320,622	0.17	0.75	2,2071	3,1271	29.42%	70.58%	\$ 682,732					
Douglas	\$ 171,090	0.17	0.75	2,1382	3,0582	30.08%	69.92%	\$ 51,469					
Elko	\$ 158,496,177	0.17	0.75	2,0550	2,9750	30.92%	69.08%	\$ 49,013,944					
Esmeralda	\$ 3,494,904	0.17	0.75	2,0995	3,0195	30.47%	69.53%	\$ 1,064,849					
Eureka	\$ 773,595,408	0.17	0.75	1,0213	1,9413	47.39%	52.61%	\$ 366,614,009					
Humboldt	\$ 249,577,161	0.17	0.75	1,7816	2,7016	34.05%	65.95%	\$ 84,990,742					
Lander	\$ 182,403,220	0.17	0.75	2,4475	3,3675	27.32%	72.68%	\$ 49,832,506					
Lincoln	\$ 112,192	0.17	0.75	2,1545	3,0745	29.92%	70.08%	\$ 33,572					
Lyon	\$ 92,101	0.17	0.75	2,1119	3,0319	30.34%	69.66%	\$ 27,947					
Mineral	\$ 10,718,794	0.17	0.75	2,7400	3,6600	25.14%	74.86%	\$ 2,694,342					
Nye	\$ 160,724,331	0.17	0.75	2,2154	3,1354	29.34%	70.66%	\$ 47,160,294					
Pershing	\$ 28,920,579	0.17	0.75	2,2358	3,1558	29.15%	70.85%	\$ 8,431,121					
Storey	\$ 287,319	0.17	0.75	2,5407	3,4607	26.58%	73.42%	\$ 76,382					
Washoe	\$ 7,085,807	0.17	0.75	2,6626	3,5826	25.68%	74.32%	\$ 1,819,612					
White Pine	\$ 170,917,462	0.17	0.75	2,7400	3,6600	25.14%	74.86%	\$ 42,962,859					
	\$ 1,770,704,563							\$ 661,975,096					37.4%

Source: Net Proceeds from 2007-08 Net Proceeds of Minerals, Nevada Department of Taxation. 2008 tax rates from Local Government Finance Redbook FY 2008-09. Note: Average county-wide tax rates are NDT calculations. Mine operations may or may not be sited in every jurisdiction included in these averages.

Appendix 4

Rural contribution to Net Proceeds of Mines Revenue

County	2009 Net Proceeds	2010 Population	Cumulative Net Proceeds	Cumulative Population	Percent Cumulative Population	Percent Cumulative NPM
Eureka	\$ 773,595,408	1,562	\$ 773,595,408	1,562	0.1%	43.7%
Humboldt	\$ 249,577,161	17,690	\$ 1,023,172,569	19,252	0.7%	57.8%
Lander	\$ 182,403,220	6,003	\$ 1,205,575,789	25,255	0.9%	68.1%
White Pine	\$ 170,917,462	9,570	\$ 1,376,493,251	34,825	1.3%	77.7%
Nye	\$ 160,724,331	46,360	\$ 1,537,217,582	81,185	3.0%	86.8%
Elko	\$ 158,496,177	51,325	\$ 1,695,713,759	132,510	4.9%	95.8%
Pershing	\$ 28,920,579	7,149	\$ 1,724,634,338	139,659	5.2%	97.4%
Churchill	\$ 21,787,396	26,859	\$ 1,746,421,734	166,518	6.1%	98.6%
Mineral	\$ 10,718,794	4,474	\$ 1,757,140,528	170,992	6.3%	99.2%
Washoe	\$ 7,085,807	416,632	\$ 1,764,226,335	587,624	21.7%	99.6%
Esmeralda	\$ 3,494,904	1,187	\$ 1,767,721,239	588,811	21.7%	99.8%
Clark	\$ 2,320,622	1,952,040	\$ 1,770,041,861	2,540,851	93.7%	100.0%
Storey	\$ 287,319	4,317	\$ 1,770,329,180	2,545,168	93.9%	100.0%
Douglas	\$ 171,090	51,390	\$ 1,770,500,270	2,596,558	95.8%	100.0%
Lincoln	\$ 112,192	4,317	\$ 1,770,612,462	2,600,875	95.9%	100.0%
Lyon	\$ 92,101	53,825	\$ 1,770,704,563	2,654,700	97.9%	100.0%
Carson City	\$ -	56,506	\$ 1,770,704,563	2,711,206	100.0%	100.0%
Totals	\$ 1,770,704,563	2,711,206				

Source: 2009-10 Net Proceeds of Mines Bulletin, Nevada Department of Taxation. Also See: Nevada State Demographer Population Estimates by County 2009.

Appendix 5
 Estimated Distribution of Major Taxes Paid by Mining Industry by County

County	Net Proceeds Tax to			Net Proceeds of Mines Tax		Less Net Proceeds to State K-12 -			Net Proceeds Tax to Local Govt. -		Est. Sales and Use Tax Generated		Less State and K-12 Share Sales & Use Tax		Est. Sales and Use Tax Retained by Local Govt.	
	State - Direct	Local Govt. - Gross	Local Govt. - Net	State	Indirect	Net	Est. Tax	Use Tax	Est. Tax	Use Tax	Est. Tax	Use Tax	Est. Tax	Use Tax	Est. Tax	Use Tax
Carson City	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Churchill	\$ 102,500	\$ 605,814	\$ 458,050	\$ 147,764	\$ -	\$ -	\$ 999,336	\$ 604,861	\$ -	\$ 999,336	\$ 604,861	\$ -	\$ 394,475	\$ 604,861	\$ -	\$ 394,475
Clark	\$ 17,599	\$ 56,920	\$ 43,268	\$ 13,652	\$ -	\$ -	\$ 426,317	\$ 242,106	\$ -	\$ 426,317	\$ 242,106	\$ -	\$ 184,211	\$ 242,106	\$ -	\$ 184,211
Douglas	\$ 4,145	\$ 4,409	\$ 3,328	\$ 1,081	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Elko	\$ 4,490,181	\$ 4,239,308	\$ 3,170,575	\$ 1,068,733	\$ -	\$ -	\$ 5,116,711	\$ 3,436,040	\$ -	\$ 5,116,711	\$ 3,436,040	\$ -	\$ 1,680,672	\$ 3,436,040	\$ -	\$ 1,680,672
Esmeralda	\$ 57,683	\$ 99,587	\$ 74,851	\$ 24,736	\$ -	\$ -	\$ 74,396	\$ 49,960	\$ -	\$ 74,396	\$ 49,960	\$ -	\$ 24,437	\$ 49,960	\$ -	\$ 24,437
Eureka	\$ 28,277,839	\$ 15,459,291	\$ 9,486,763	\$ 5,972,528	\$ -	\$ -	\$ 27,878,107	\$ 18,721,065	\$ -	\$ 27,878,107	\$ 18,721,065	\$ -	\$ 9,157,042	\$ 18,721,065	\$ -	\$ 9,157,042
Humboldt	\$ 7,495,784	\$ 5,278,151	\$ 3,812,866	\$ 1,465,285	\$ -	\$ -	\$ 9,609,405	\$ 6,453,031	\$ -	\$ 9,609,405	\$ 6,453,031	\$ -	\$ 3,156,374	\$ 6,453,031	\$ -	\$ 3,156,374
Lander	\$ 3,812,806	\$ 6,832,021	\$ 5,310,413	\$ 1,521,608	\$ -	\$ -	\$ 11,647,062	\$ 7,545,984	\$ -	\$ 11,647,062	\$ 7,545,984	\$ -	\$ 4,101,078	\$ 7,545,984	\$ -	\$ 4,101,078
Lincoln	\$ 302	\$ 4,071	\$ 3,078	\$ 993	\$ -	\$ -	\$ 9,701	\$ 6,285	\$ -	\$ 9,701	\$ 6,285	\$ -	\$ 3,416	\$ 6,285	\$ -	\$ 3,416
Lyon	\$ 177	\$ 2,443	\$ 1,839	\$ 604	\$ -	\$ -	\$ 130,669	\$ 84,659	\$ -	\$ 130,669	\$ 84,659	\$ -	\$ 46,010	\$ 84,659	\$ -	\$ 46,010
Mineral	\$ 163,467	\$ 377,815	\$ 300,394	\$ 77,421	\$ -	\$ -	\$ 186,475	\$ 125,224	\$ -	\$ 186,475	\$ 125,224	\$ -	\$ 61,251	\$ 125,224	\$ -	\$ 61,251
Nye	\$ 3,339,200	\$ 5,973,361	\$ 4,544,510	\$ 1,428,851	\$ -	\$ -	\$ 4,949,748	\$ 3,206,879	\$ -	\$ 4,949,748	\$ 3,206,879	\$ -	\$ 1,742,869	\$ 3,206,879	\$ -	\$ 1,742,869
Pershing	\$ 613,601	\$ 866,361	\$ 660,463	\$ 205,897	\$ -	\$ -	\$ 1,237,384	\$ 801,685	\$ -	\$ 1,237,384	\$ 801,685	\$ -	\$ 435,699	\$ 801,685	\$ -	\$ 435,699
Storey	\$ 601	\$ 9,455	\$ 7,406	\$ 2,049	\$ -	\$ -	\$ 14,842	\$ 8,983	\$ -	\$ 14,842	\$ 8,983	\$ -	\$ 5,859	\$ 8,983	\$ -	\$ 5,859
Washoe	\$ 40,624	\$ 259,433	\$ 205,122	\$ 54,311	\$ -	\$ -	\$ 728,770	\$ 433,960	\$ -	\$ 728,770	\$ 433,960	\$ -	\$ 294,810	\$ 433,960	\$ -	\$ 294,810
White Pine	\$ 2,746,137	\$ 6,347,032	\$ 5,046,411	\$ 1,300,621	\$ -	\$ -	\$ 6,380,077	\$ 3,926,201	\$ -	\$ 6,380,077	\$ 3,926,201	\$ -	\$ 2,453,876	\$ 3,926,201	\$ -	\$ 2,453,876
Total Distribution	\$ 51,162,647	\$ 46,415,472	\$ 33,129,337	\$ 13,286,136	\$ -	\$ 33,129,337	\$ 69,389,000	\$ 45,646,923	\$ -	\$ 69,389,000	\$ 45,646,923	\$ -	\$ 23,742,077	\$ 45,646,923	\$ -	\$ 23,742,077

Appendix 5
 Estimated Distribution of Major Taxes Paid by Mining Industry by County

County	Property Tax			Modified Business Tax			
	Est. Property Tax Generated	Less State and K-12 Share Property Tax	Est. Property Tax Retained by Local Govt.	Est. MBT Tax Generated	Less State Share MBT	MBT Retained by Local Govt.	MBT Retained by Local Govt.
Carson City	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Churchill	\$ 324,963	\$ 88,826	\$ 236,137	\$ 49,028	\$ 49,028	\$ -	\$ -
Clark	\$ 34,035	\$ 9,127	\$ 24,908	\$ 19,624	\$ 19,624	\$ -	\$ -
Douglas	\$ 2,566	\$ 706	\$ 1,860	\$ -	\$ -	\$ -	\$ -
Elko	\$ 2,443,385	\$ 693,337	\$ 1,750,049	\$ 278,515	\$ 278,515	\$ -	\$ -
Esmeralda	\$ 53,084	\$ 14,812	\$ 38,271	\$ 4,050	\$ 4,050	\$ -	\$ -
Eureka	\$ 18,276,008	\$ 8,306,464	\$ 9,969,545	\$ 1,517,472	\$ 1,517,472	\$ -	\$ -
Humboldt	\$ 4,236,858	\$ 1,339,739	\$ 2,897,119	\$ 523,063	\$ 523,063	\$ -	\$ -
Lander	\$ 2,484,191	\$ 612,072	\$ 1,872,119	\$ 611,654	\$ 611,654	\$ -	\$ -
Lincoln	\$ 1,674	\$ 458	\$ 1,216	\$ 509	\$ 509	\$ -	\$ -
Lyon	\$ 1,393	\$ 387	\$ 1,006	\$ 6,862	\$ 6,862	\$ -	\$ -
Mineral	\$ 134,315	\$ 30,053	\$ 104,262	\$ 10,150	\$ 10,150	\$ -	\$ -
Nye	\$ 2,350,979	\$ 628,550	\$ 1,722,429	\$ 259,940	\$ 259,940	\$ -	\$ -
Pershing	\$ 420,298	\$ 111,543	\$ 308,755	\$ 64,982	\$ 64,982	\$ -	\$ -
Storey	\$ 3,808	\$ 909	\$ 2,899	\$ 728	\$ 728	\$ -	\$ -
Washoe	\$ 90,709	\$ 20,807	\$ 69,902	\$ 35,175	\$ 35,175	\$ -	\$ -
White Pine	\$ 2,141,734	\$ 479,208	\$ 1,662,525	\$ 318,246	\$ 318,246	\$ -	\$ -
Total Distribution	\$ 33,000,000	\$ 12,336,998	\$ 20,663,002	\$ 3,700,000	\$ 3,700,000	\$ -	\$ -