

Clark County Major Tax Revenues Overview

Sales tax, property tax and real estate excise tax represent 33 percent of Clark County’s 2015-2016 estimated revenues, or 38 percent when excluding internal transfers between county funds. Below is a summary of each tax and applicable uses in the county:

Property Tax

Property taxes are collected by **multiple taxing districts**, each with different geographical boundaries:

- Statewide levy: Financing for schools, collected countywide
- Clark County levies: General Fund and Conservation Futures, collected countywide; and Road Fund, collected in the unincorporated county only
- City levies: General Fund, collected within each city limit
- Other taxing districts: Metropolitan Parks, library, fire, emergency medical services, cemetery and port districts; collections vary by district

Generally, property tax levy rates are calculated on the district’s budget request and total assessed value in the district, while accounting for multiple levy limitations:

- **Individual levy rate caps:** For example, the county Road Fund levy rate is limited to \$2.25 per \$1,000 of assessed value.
- **The 1 percent constitutional limit:** This limits the regular (non-voted) combined property tax rate that applies to an individual’s property to 1 percent of market value (\$10 per \$1,000).
- **The levy limit:** A taxing district’s regular, non-voted levy amount cannot exceed an annual 1 percent increase over the highest amount that could have been levied since 1985. The 1 percent increase requires a resolution. If inflation is less than 1 percent, the increase is limited to the rate of inflation, unless a second resolution is adopted showing extraordinary need for the 1 percent increase.

Various combinations of overlapping taxing districts determine an individual property’s total property tax rate, which may also include voter-approved special levies and bonds.

Once calculated, property tax **rates are expressed in dollars per \$1,000 of assessed property value**. For example, the county General Fund levy rate for 2015 is \$1.40 per \$1,000 of assessed value.

Clark County Levy	Collections	2015-2016 estimate	Purpose
County General • General Fund • Veterans • Mental health • Developmental Disabilities	Countywide	\$117.3 million • \$114.8 million • \$1.0 million • \$0.75 million • \$0.75 million	• Discretionary • Veteran services • Mental health • Developmental disabilities
Road Fund • Roads • Sheriff diversion	Unincorporated	\$73.7 million • \$65 million • \$8.7 million	• Local roads • Traffic law enforcement
Conservation Futures	Countywide	\$4.4 million	Land preservation

Sales Tax

Multiple jurisdictions impose a tax on retail sales in Clark County:

- State, 6.5 percent countywide
- County and city, 1.2 percent combined in the county/city areas
- C-TRAN, 0.7 percent in the Clark County Public Transportation Benefit Area only

Overview of Clark County 1.2% total local sales tax rate

Type	Rate	Purpose	2015-2016 estimate	Collections
Discretionary	.5% basic (1972)	General Fund discretionary	\$25.7 million	100% unincorporated + 15% incorporated
	.1% optional (1984)	General Fund discretionary	\$5.2 million	100% unincorporated + 15% incorporated
Locally dedicated	.2% optional (1988) Law Enforcement	Law and justice	\$10.3 million	100% unincorporated + 15% incorporated
	.2% optional (2007) Law and Justice	Law and justice	\$10.3 million	100% unincorporated + 15% incorporated
Dedicated by state statute	.1% Criminal justice (1999) Shared with cities	Law and justice	\$6.6 million	10% countywide + population share of remaining 90%
	.1% Mental health (2007)	Mental health & substance abuse treatment	\$12.3 million	100% countywide

**Example of sales tax revenue distribution in unincorporated Clark County
(outside the Clark County Public Transportation Benefit Area)**

Purchase price	\$50.00
Sales tax on purchase @ 7.7%	\$3.85
State General Fund	\$3.25
County General Fund	\$0.30
County law and justice	\$0.10
County law enforcement	\$0.10
County criminal justice	\$0.03
County mental health	\$0.05
Cities criminal justice	\$0.02
Total purchase	\$53.85

Real Estate Excise Tax

Sales of real estate property are subject to a 1.78 percent real estate excise tax (REET), of which 1.28 percent is the state rate and 0.5 percent is the local county or city rate. The 0.5 percent local rate includes REET 1 (first half of 1 percent) and REET 2 (second half of 1 percent). REET 2 is authorized only for counties and cities mandated or choosing to plan for growth under the state Growth Management Act (GMA).

Both REET 1 and REET 2 can be used for planning, acquisition, re-construction, repair, replacement and rehabilitation or improvement of certain public facilities listed in the capital facilities plan. The use of REET 1 is less restricted than REET 2. Both may be used for certain public works projects, such as streets, roads and bridges. But only REET 1 money may be used for: recreational, law enforcement or fire protection facilities; park land acquisition; trails; libraries; and judicial or administrative facilities.

REET revenue is highly volatile as it depends on the volume of real estate sales and sale prices.

Currently, Clark County uses REET revenues exclusively to pay down debt service on capital projects that qualify for REET funding.

