

Casinos bankroll effort to preserve Nev. taxes

By Associated Press

LAS VEGAS – The vast majority of the money used to defend Gov. Brian Sandoval's new \$1.1 billion tax package is coming from major casinos.

An expert says that's likely because the governor's plan spreads the tax burden broadly across a range of businesses and doesn't single out the gambling industry.

The *Las Vegas Sun* reports that most of the \$242,000 donated to the Coalition for Nevada's Future in 2015 came from five gambling giants, according to reports filed earlier this month with the Nevada secretary of state.

Wynn Resorts, MGM Resorts International and Caesars Entertainment each gave \$38,000, while Station Casinos and Boyd Gaming contributed \$28,500 apiece. The South Point casino and Affinity Gaming donated \$4,750, and some casinos in Reno offered smaller amounts.

The coalition is funding attorneys who are trying to stop several efforts to repeal the tax.

Coalition lawyers won a court fight against a proposal backed by conservative activist Chuck Muth to repeal all three parts of the tax package.

But they lost a battle to stop a potential ballot measure, backed by Republican state Controller Ron Knecht, to repeal just the new Commerce Tax that affects large businesses. A judge cleared the way for supporters to gather the more than 55,000 signatures they'll need to qualify the petition for the November ballot.

Backers say taxing a range of businesses will help Nevada's revenue stream hold steady when individual industries are struggling.

"The precipitous decline in state revenues during the Great Recession was due in large part to the reliance on a very narrow tax base," said Nevada Resort Association President Virginia Valentine, whose group represents the state's largest casinos. "The Commerce Tax should reduce volatility while providing long-term growth, especially as the Nevada economy becomes more diverse."

Observers say the casinos also have a personal stake in the tax surviving a ballot challenge.

"If that gets gutted, the easiest fix would be to try to go for gaming again (for additional tax revenue)," UNLV political science professor David Damore told the newspaper. "For gaming, (the Commerce Tax) was a win because, yeah, their taxes went up – but everyone else's taxes went up, too."