

# *Nevada Standard Tax Abatements*

## **NRS 360.750**

Companies meeting requirements that include paying 100% or more of the State or County wide average wage may qualify for:

- Personal property tax abatement of 50% of the tax due for 10 years
- Sales and use tax abatement reducing the rate to 2% for 2 years for a new company and 4.6% for 2 years for an expanding company
- Modified business tax abatement of 50% for 4 years

Companies paying 85% to 99% of the lesser of the State or County wide average wage may qualify for:

- Personal property tax abatement of 25% of the tax due for 10 years
- Sales and use tax abatement reducing the rate to 4.6% for 2 years
- Modified business tax abatement of 25% for 4 years

### ***Statutory Criteria***

- ❖ The company offers a medical insurance plan and pay at least 65% of the plan's premium costs
- ❖ If the business will have at least 50 full-time employees on the payroll of the business by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective the business has a policy for paid family and medical leave and agrees that all employees who have been employed by the business for at least 1 year will be eligible for at least 12 weeks of paid family and medical leave at a rate of at least 55 percent of the regular wage of the employee
- ❖ The company will generate more than 50% of revenue from the project from outside of the State

In addition to meeting both the above requirements the company must meet one of the following:

#### **❖ Capital Investment**

- **Urban Area:** Capital investment of \$5 million in equipment for industrial or manufacturing facilities or \$1 million for all other facility types.
- **Rural Area:** Capital investment of \$1 million in equipment for industrial or manufacturing facilities or \$250,000 for all other facility types.
- **Expansion:** Capital investment must equal at least 20% of the value of the company's tangible personal property

#### **❖ Number of Primary Jobs Created**

- **Urban Area:** 50 or more permanent, full-time employees within the first two years of operation (No abatements if less than 10 jobs are created)
- **Rural Area:** 10 or more permanent, full-time employees within the first two years of operation (No abatement if less than 6 jobs are created).
- **Expansion:** Increase the number of employees on its payroll by 10% more than its existing employee count or by 25 (urban) or 6 (rural) employees, whichever is greater.

### ***Ongoing Company Responsibilities***

- ❖ Maintain the business in Nevada for 5 years
- ❖ Register pursuant to the laws of Nevada