

Nevada Data Center Tax Abatements

NRS 360.754

A company and co-located tenants who intends to locate or expand a data center that meets certain requirements may qualify for:

- Personal property tax abatement of 75% of the tax due for 10 or 20 years
- Sales and use tax abatement reducing the rate to 2% for 10 or 20 years - *requires the Governor's Office of Economic Development Board to approve a reduction to 2% by a two-thirds vote*

The company must meet all three requirements within the first 5 years of operation listed below:

- **10-year abatements:**
 - o **Jobs:** Within 5 years employ 10 full-time employees who are Nevada residents
 - o **Wages:** Pay at least 100% of the statewide average wage
 - o **Capital Investment:** Within 5 years, invest at least \$25 million in cumulative capital expenditures between the applicant and tenants
- **20-year abatements:**
 - o **Jobs:** Within 5 years employ 50 full-time employees who are Nevada residents
 - o **Wages:** Pay at least 100% of the statewide average wage (\$31.57 for FY 26)
 - o **Capital Investment:** Within 5 years, invest at least \$100 million in cumulative capital expenditures between the applicant and tenants

Co-Located Tenants Must:

- Enter into a minimum two-year agreement with the applicant to use or occupy space at the data center
- Obtain a business license issued **by the Secretary of State**

Additional Statutory Requirements:

- ❖ 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
- ❖ Maintain the business in Nevada for 10 years
- ❖ Register pursuant to the laws of Nevada
- ❖ Offer medical insurance plan and pay at least 65% of the plans premium costs
- ❖ Ensure that 50% or more of all workers engaged in construction of the data center are Nevada residents