



Motor Carrier Division
555 Wright Way
Carson City, NV 89711 – 0600
(775) 684-4711

June 6, 2014

IMPORTANT – PLEASE READ
FUEL TAX RATES AND FY 15 CLARK COUNTY INDEXED TAXES CHANGES

Dear State of Nevada Fuel Supplier:

During the 77th Legislative Session the Legislature enacted Assembly Bill 413 (AB413), effective January 1, 2014. This bill allows for Clark County to start indexing of **all fuel types, including Special Fuels**, but excluding jet and aviation fuels.

In order to establish the rate for indexing, the PPI (Producer Price Index for Highway and Street Construction) will be used to determine the yearly rates. The PPI is an index published by the United State Department of Labor, which measures inflation in the costs of such construction. For FY14 the PPI rate was 6.22%; for FY15 the rate is 6.05%.

Each year the rate of the Producer Price Index, PPI, will increase by the amount of the overall PPI in Clark County. The PPI Index Tax is a cumulative tax and the total increase is the difference between the base tax rates for the County, per statute, and the cumulative PPI increases calculated each year. This increase will be added to the previous PPI tax. This tax increase must be included on all fuel sales in Clark County on or after July 1, 2014 and remitted to the Department with the July 2014 tax return, due August 31, 2014. A breakdown of the County tax structure is attached for your convenience.

Please ensure you use the most current version of the tax return and corresponding worksheets. In addition, a formatted version (in Excel) of the tax return and corresponding worksheets is available on our webpage at www.dmvnv.com. You will continue to collect the **gross tax rates** but will only remit the net tax rates, provided on the matrix, to the Department.

If you have any questions about this notification, or need additional assistance, please contact your Tax Examiner at the following:

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S – Z	Patricia Espinoza	(775) 684-4812	PEspinoza@dmv.nv.gov

Sincerely,

Carmen Shipman
Tax Program Supervisor II
Fuel Industry Section

cc: Wayne Seidel, Motor Carrier Administrator
Dawn Lietz, Motor Carrier Deputy Administrator
Amy McKinney, ASD ASO IV

FY15 Fuel Tax Matrix
Gross vs. Net Tax Rates

Effective July 1, 2014

<u>Product</u>	<u>Gross Tax Rates</u>	<u>Net Tax Rates**</u>	<u>Authority</u>
Gasoline/Gasohol	\$0.23	\$0.2254	NRS 365.175 (12.65¢) NRS 365.540 (5.0¢) NRS 365.190 & 550 (3)(a)(b) (5.35¢)
<u>County Option</u>	\$0.04	\$0.0392	NRS 373.070
Douglas			
Esmeralda			
Eureka			
Lincoln			
Nye			
Storey			
<u>County Option</u>	\$0.09	\$0.0882	NRS 373.070
Carson City			
Churchill			
Clark			
Elko			
Humboldt			
Lander			
Lyon			
Mineral			
Pershing			
Washoe			
White Pine			
<u>County Other</u>	\$0.01	\$0.0098	NRS 365.195
<u>Special Fuels and Indexed Taxes</u>			
Clark County-PPI	\$0.0660201	\$0.0646997	AB413, NRS 373.0663
Washoe County Index-CPI	\$0.0266427	\$0.0261098	AB516, NRS 373.066
Washoe County Index-PPI	\$0.2182045	\$0.2138404	SB201, NRS 373.066
Clear Diesel/Biodiesel/LNG	\$0.27	\$0.2646	NRS 366.190
Clark County Index-PPI	\$0.0659505	\$0.0646315	AB413, NRS 373.0663
Washoe County Index-PPI	\$0.2073903	\$0.2032425	SB201, NRS 373.066
CNG***	\$0.21	\$0.2058	NRS 366.190
Clark County Index-PPI	\$0.0497000	\$0.0487060	AB413, NRS 373.0663
Washoe County Index-PPI	\$0.1562884	\$0.1531626	SB201, NRS 373.066
LPG***	\$0.22	\$0.2156	NRS 366.190
Clark County Index-PPI	\$0.0509646	\$0.0499453	AB413, NRS 373.0663
Washoe County Index-PPI	\$0.1602654	\$0.1570601	SB201, NRS 373.066
A55	\$0.19	\$0.1862	NRS 366.190
Clark County Index-PPI	\$0.0240280	\$0.0235474	AB413, NRS 373.0663
Washoe County Index-PPI	\$0.0755594	\$0.0740482	SB201, NRS 373.066
<u>Jet/Aviation and Fees</u>			
Jet	\$0.01	\$0.0098	NRS 365.170(1)(b)(1)
Jet Option-Clark	\$0.03	\$0.03	NRS 365.203(a)
Aviation	\$0.02	\$0.0196	NRS 365.170(1)(b)(2)
Aviation Option	\$0.08	\$0.08	NRS 365.203(b)
Inspection Fee*	\$0.00055	\$0.00055	NRS 590.120
Cleanup Fee*	\$0.0075	\$0.0075	NRS 590.840

*Effective January 1, 2010, Cleanup and Inspection Fees are assessed on Ethanol and Methanol at the time of importation per SB332.

**Net Tax Rates are calculated by taking the gross tax rate less 2% collection allowance. Charge customers gross rate, remit net rate of Department.

***Tax rate applied after conversion of gallons.

Clark County Index Taxes Breakdown for Motor Fuels

Product Type Gasoline/Gasohol

PPI Rate FY15 Gross Rate \$0.0660201 Net rate \$0.0646997 AB413, NRS 373.0663

Producer Price Index (PPI) – History (obtained from Regional Transportation Commission of Southern Nevada)

FY14 = 6.22%
FY15 = 6.05%

Clark County Index (CCI) Calculation – History

	<u>Gross Tax Base</u>	<u>Net Tax Base</u>	(Gross tax base less 2% collection allowance)
State Tax (County)	\$0.0535	\$0.05243	NRS 365.190 (From Net State Tax distributed to County)
State Tax	\$0.18455	\$0.180859	AB413
Federal Tax	\$0.1840	\$0.18032	AB413
County Option	\$0.09	\$0.0882	NRS 373.070
County Other	<u>\$0.01</u>	<u>\$0.0098</u>	NRS 365.195
Total	\$0.52205	\$0.511609*	*.52205 – 2% = .511609 for purpose of indexing

Gross Tax Base	\$0.52205	Net Tax Base	\$0.511609
PPI rate FY14	x 6.22%	PPI rate for FY14	x 6.22%
Total Gross CCI FY14	\$0.0324715	Total Net CCI FY14	\$0.0318221

Adjusted Tax Base – FY 15

	<u>Gross</u>	<u>Net</u>
Tax Base	\$0.52205	\$0.511609
Prior CCI Adj.	<u>\$0.0324715</u>	<u>\$0.0318221</u>
	<u>\$0.5545215</u>	<u>\$0.5434311</u>

	<u>Gross Tax Base</u>	<u>Net Tax Base</u>	(Gross tax base less 2% collection allowance)
Adjusted Tax Base*	\$0.5545215	Adjusted Tax Base	\$0.5434311
PPI rate FY15	X 6.05%	PPI rate for FY15	x 6.05%
Total Gross CCI	<u>\$0.0335486</u>	Total Net Clark	<u>\$0.0328776</u>

	<u>Gross Tax Rate FY15</u>	<u>Net Tax Rate FY15</u>
Total Cumulative CCI		
Original Tax Base	\$0.52205	\$0.511609
Prior CCI Increases	\$0.0324715	\$0.0318221
CCI Increase FY15	<u>\$0.0335486</u>	<u>\$0.0328776</u>
Total FY 15	<u>\$0.5880701</u>	<u>\$0.5763087</u>

*CCI figures for FY15 were calculated by the Regional Transportation Commission of Southern Nevada and sent to the Department for implementation

Clark County Index Taxes Breakdown for Special Fuels

Product Type Diesel/Biodiesel/LNG

PPI Rate FY15 Gross Tax Rate **\$0.0659505** Net Tax Rate **\$0.0646315** AB413, NRS 373.0663

Producer Price Index (CCI) Calculation – History (obtained from Regional Transportation Commission of Southern Nevada)

FY14 = 6.22%
 FY15 = 6.05%

Clark County Index (CCI) Calculation – History

	<u>Gross Tax Base</u>	<u>Net Tax Rate</u>	(Gross tax base less 2% collection allowance)
State Tax	\$0.2775	\$0.27195	NRS 366.190
Federal Tax	\$0.2440	\$0.23912	AB413
Total	\$0.5215	\$0.5110700*	*.5215 – 2% = .511700 for purpose of indexing
Gross Tax Base	\$0.5215	Net Tax Base	\$0.5110700
PPI Rate FY14	x 6.22%	PPI rate for FY14	x 6.22%
Total Gross CCI FY14	\$0.0324373	Total Net CCI FY14	\$0.0317886

Adjusted Tax Base – FY 15

	<u>Gross</u>	<u>Net</u>	
Tax Base	\$0.5215	\$0.5110700	
Prior CCI Adj.	\$0.0324373	\$0.0317886	
	<u>\$0.5539373</u>	<u>\$0.5428586</u>	
	<u>Gross Tax Base</u>	<u>Net Tax Base</u>	
Adjusted Tax Base*	\$0.5539373	Adjusted Tax Base	\$0.5428586
PPI rate FY15	X 6.05%	PPI rate for FY15	x 6.05%
Total Gross CCI	<u>\$0.0335132</u>	Total Net Clark	<u>\$0.0328429</u>
Total Cumulative CCI	<u>Gross Tax Rate FY15</u>	<u>Net Tax Rate FY15</u>	
Original Tax Base	\$0.5215	\$0.5110700	
Prior CCI Increases	\$0.0324373	\$0.0317886	
CCI Increase FY15	<u>\$0.0335132</u>	<u>\$0.0328429</u>	
Total FY 15	<u>\$0.5874505</u>	<u>\$0.5757015</u>	

*CCI figures for FY15 were calculated by the Regional Transportation Commission of Southern Nevada and sent to the Department for implementation

Product Type CNG

PPI Rate FY15 Gross Tax Rate \$0.0497000 Net Tax Rate \$0.0487060 AB413, NRS 373.0663

Producer Price Index (PPI) – History (obtained from Regional Transportation Commission of Southern Nevada)

FY14 = 6.22%
FY15 = 6.05%

Clark County Index (CCI) Calculation – History

	<u>Gross Tax Base</u>	<u>Net Tax Base</u>	(Gross tax base less 2% collection allowance)
State Tax	\$0.21	\$0.2058	NRS 366.190
Federal Tax	\$0.1830	\$0.17934	AB413
Total	\$0.3930	\$0.38514*	*.03930 – 2% = \$.38514 for purpose of indexing

Gross Tax Base	\$0.3930	Net Tax Base	\$0.038514
PPI rate FY14	x 6.22%	PPI rate for FY14	x 6.22%
Total Gross CCI FY14	\$0.0244446	Total Net CCI FY14	\$0.0239557

Adjusted Tax Base – FY 15

	<u>Gross</u>	<u>Net</u>
Tax Base	\$0.3930	\$0.3851400
Prior CCI Adj.	\$0.0244446	\$0.0239557
	<u>\$0.4174446</u>	<u>\$0.4090957</u>

	<u>Gross Tax Base</u>	<u>Net Tax Base</u>	(Gross tax base less 2% collection allowance)
Adjusted Tax Base*	\$0.4174446	Adjusted Tax Base	\$0.4090957
PPI rate FY15	X 6.05%	PPI rate for FY15	x 6.05%
Total Gross CCI	<u>\$0.0252554</u>	Total Net Clark	<u>\$0.0247503</u>

Total Cumulative CCI	<u>Gross Tax Rate FY15</u>	<u>Net Tax Rate FY15</u>
Original Tax Base	\$0.3930	\$0.38514
Prior CCI Increases	\$0.0244446	\$0.0239557
CCI Increase FY15	\$0.0252554	\$0.0247503
Total FY 15	<u>\$0.4427000</u>	<u>\$0.4338460</u>

*CCI figures for FY15 were calculated by the Regional Transportation Commission of Southern Nevada and sent to the Department for implementation

Product Type LPG

PPI Rate FY15 Gross Tax Rate \$0.0509646 Net Tax Rate \$0.0499453 AB413, NRS 373.0663

Producer Price Index (PPI) - History (obtained from Regional Transportation of Southern Nevada)

FY14 = 6.22%
FY15 = 6.05%

Clark County Index (CCI) Calculation – History

	<u>Gross Tax Base</u>	<u>Net Tax Base</u>	(Gross tax base less 2% collection allowance)
State Tax	\$0.22	\$0.2156	NRS 366.190
Federal Tax	\$0.1830	\$0.17934	AB413
Total	\$0.4030	\$0.39494*	*.4030 – 2% = .39494 for purpose of indexing
Gross Tax Base	\$0.4030	Net Tax Base	\$0.39494
PPI rate FY14	x 6.22%		x 6.22%
Total Gross CCI FY14	\$0.0250666	Total Net CCI FY14	\$0.0245653

Adjusted Tax Base – FY 15

	<u>Gross</u>	<u>Net</u>	
Tax Base	\$0.4030	\$0.39494	
Prior CCI Adj.	\$0.0250666	\$0.0245653	
	<u>\$0.4280666</u>	<u>\$0.4195053</u>	
	<u>Gross Tax Base</u>	<u>Net Tax Base</u>	
	(Gross tax base less 2% collection allowance)		
Adjusted Tax Base*	\$0.4280666	Adjusted Tax Base	\$0.4195053
PPI rate FY15	X 6.05%	PPI rate for FY15	x 6.05%
Total Gross CCI	<u>\$0.0258980</u>	Total Net Clark	<u>\$0.0253800</u>
Total Cumulative CCI	<u>Gross Tax Rate FY15</u>	<u>Net Tax Rate FY15</u>	
Original Tax Base	\$0.4030	\$0.39494	
Prior CCI Increases	\$0.0250666	\$0.0245653	
CCI Increase FY15	\$0.0258980	\$0.0253800	
Total FY 15	<u>\$0.4539646</u>	<u>\$0.4448853</u>	

*CCI figures for FY15 were calculated by the Regional Transportation Commission of Southern Nevada and sent to the Department for implementation

Product Type A55

PPI Tax Rate FY15 Gross rate \$0.024028 Net Tax Rate \$0.0235474 AB413, NRS 373.0663

Producer Price Indexing (PPI) – History (obtained from Regional Transportation Commission of Southern Nevada)

FY14 = 6.22%
 FY15 = 6.05%

Clark County Index (CCI) Calculation – History

	Gross Tax Base	Net Tax Base	(Gross tax base less 2% collection allowance)
State Tax	\$0.19	\$0.1862	NRS 366.190
Federal Tax	\$0.00		AB413
Total	\$0.19	\$0.1862*	*.19 – 2% = \$.1862 for purpose of indexing
Gross Tax Base	\$0.19	Net Tax Base	\$0.1862
PPI rate FY14	x 6.22%	PPI rate for FY14	x 6.22%
Total Gross CCI FY14	\$0.011818	Total Net CCI FY14	\$0.0115816

Adjusted Tax Base – FY 15

	Gross	Net	
Tax Base	\$0.19	\$0.1862	
Prior CCI Adj.	\$0.011818	\$0.0115816	
	<u>\$0.201818</u>	<u>\$0.1977816</u>	
	Gross Tax Base	Net Tax Base	
Adjusted Tax Base*	\$0.201818	Adjusted Tax Base	\$0.1977816
PPI rate FY15	X 6.05%	PPI rate for FY15	x 6.05%
Total Gross CCI	<u>\$0.0122100</u>	Total Net Clark	<u>\$0.0119658</u>
Total Cumulative CCI	Gross Tax Rate FY15	Net Tax Rate FY15	
Original Tax Base	\$0.19	\$0.1862	
Prior CCI Increases	\$0.0118180	\$0.0115816	
CCI Increase FY15	<u>\$0.0122100</u>	<u>\$0.0119658</u>	
Total FY 15	<u>\$0.2140280</u>	<u>\$0.2097474</u>	

*CCI figures for FY15 were calculated by the Regional Transportation Commission of Southern Nevada and sent to the Department for implementation