



BAWN in Action Government Affairs Update

The Builders Association of Western Nevada is committed to keeping you informed on issues and changes within areas that affect you

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March 8, 2010

Carson City Tax Increase

At Thursday's Carson City Supervisors meeting another tax increase was proposed for this budget year. Current Property Taxes are assessed at \$3.13 per \$100 of assessed value which was being proposed to rise to \$3.45. This would force many homes which would have seen a lowering of their taxes to increase; this includes existing homes as well as new construction. If this would have been implemented the possibility of recovery from an already down economy would only be further hindered. The tax abatements that were put in place by the 2005 Legislature have caused a drastic disparity between new and existing home sales. This inequity causes upwards of \$2500.00 in higher property tax for consumers who choose to purchase a new home versus an existing home, thus making new home construction less appealing to the Nevada consumer markets. The City's budget was estimated to have added about \$225,500 to the general fund and about \$100,000 to the redevelopment authority. With this tax disparity already existing, the Carson City construction industry would be further damaged by an additional .32 cent tax. This increase would have caused newly constructed home taxes to increase anywhere from \$200.00 to \$400.00 per home, per year.

Thankfully, this increase was unanimously denied by the Board of Supervisors. Each elected official understood that taxing an already down industry and home owners with declining property values was not in the best interest of the City or the economy.

Douglas County Storm Water Master Plan

The proposed implementation of the Storm Water Master Plan which would create a utility fee of approximately \$2.50 - \$4.00 per month per residential household has been withdrawn. The County was looking to create the fee schedule around May of this year. This fee would have greatly affected local business with a potential for a square footage impact fee on commercial and industrial buildings. The County Commission however directed Mahmood Azad (County Engineer) to cease work on creating a countywide flood utility fee.

Nevada State Contractors Board Proposed Regulation

On March 5 the Contractors Board held a small focus group discussion with key members of local Builders Associations. At this meeting the discussion centered around a new proposal requiring financials at time of renewal.

This regulation will not affect those of you who have had your license for more than 2 years. The proposal actually addresses new license holders who have had their license for LESS than 2 years or have had a disciplinary action against them. The only adjustment the Contractors Board are looking to make is, what level of financials will be required if a license limit increase is requested. The details of these conditions will be discussed at an upcoming meeting scheduled for March 31, 2010 at 10:00am at the state contractor's board office.

If you have any questions please call Sheena at (775) 882-4353

Sincerely,

Sheena Beaver
Government Affairs Director