

Brian Sandoval
Governor



Troy Dillard
Director

Motor Carrier Division
555 Wright Way
Carson City, NV 89711 – 0600
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November 14, 2013

**IMPORTANT – PLEASE READ
ADDITIONAL CLARK COUNTY INDEXED FUEL TAXES**

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 is 6.22%

Each year the rate of the Producer Price Index, PPI, will increase by the amount of the overall PPI. The PPI rates will be updated at the beginning of each fiscal year, starting July 1, 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 will be available after January 1, 2014 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.

Due to programming requirements, for a period of up to six (6) months, remittance of these additional taxes will be done manually. By the middle of January, 2014 you will receive the new form and instructions for remitting the indexed taxes, as well as the method of payment that will be accepted. These indexed taxes will be due with the January 2014 supplier tax return due on February 28, 2014.

If you have any questions, or need additional assistance, please contact me at (775) 684-4610.

Sincerely,

Carmen Shipman
Tax Program Supervisor II
Fuel Industry Section

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

FY14 Fuel Tax Matrix
Gross vs. Net Tax Rates

Effective January 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
Washoe County Index-CPI	\$0.0266427	\$0.0261098	AB516, NRS 373.066
Washoe County Index-PPI	\$0.1744541	\$0.1709650	SB201, NRS 373.066
Clark County-PPI	\$0.0324715	\$0.0318221	AB413, NRS 373.0663
Clear Diesel/Biodiesel/LNG	\$0.27	\$0.2646	NRS 366.190
Washoe County Index-PPI	\$0.1658082	\$0.1624920	SB201, NRS 373.066
Clark County Index-PPI	\$0.0324373	\$0.0317886	AB413, NRS 373.0663
CNG***	\$0.21	\$0.2058	NRS 366.190
Washoe County Index-PPI	\$0.1249523	\$0.1224532	SB201, NRS 373.066
Clark County Index-PPI	0.0244446	\$0.0239557	AB413, NRS 373.0663
LPG***	\$0.22	\$0.2156	NRS 366.190
Washoe County Index-PPI	\$0.1281319	\$0.1255692	SB201, NRS 373.066
Clark County Index-PPI	\$0.0250666	\$0.0245653	AB413, NRS 373.0663
A55	\$0.19	\$0.1862	NRS 366.190
Washoe County Index-PPI	\$0.0604096	\$0.0592014	SB201, NRS 373.066
Clark County Index-PPI	\$0.011818	\$0.0115816	AB413, NRS 373.0663
<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 FY14 Gross Rate \$0.0324715 Net rate \$0.0318221 AB413, NRS 373.0663

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

FY14 = 6.22%

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 <u>6.22%</u>	PPI rate for FY14	x <u>6.22%</u>
Total Gross CCI FY14	\$0.0324715	Total Net CCI FY14	\$0.0318221

*CCI figures for FY14 were calculated by the Regional Transmission 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 FY14 Gross Tax Rate **\$0.0324373** Net Tax Rate **\$0.0317886** AB413, NRS 373.0663

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

FY14 = 6.22%

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	<u>\$0.2440</u>	<u>\$0.23912</u>	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 <u>6.22%</u>	PPI rate for FY14	x <u>6.22%</u>
Total Gross CCI FY14	\$0.0324373	Total Net CCI FY14	\$0.0317886

Product Type CNG

PPI Rate FY14 Gross Tax Rate \$0.0244446 Net Tax Rate \$0.0239557 AB413, NRS 373.0663

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

FY14 = 6.22%

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

Product Type LPG

PPI Rate FY14 Gross Tax Rate \$0.0250666 Net Tax Rate \$0.0245653 AB413, NRS 373.0663

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

FY14 = 6.22%

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

Product Type A55

PPI Tax Rate FY14 Gross rate \$0.011818 Net Tax Rate \$0.0115816 AB413, NRS 373.0663

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

FY14 = 6.22%

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	\$0.19	\$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