

Welcome to a **brighter** Nevada.

Founded on Independence, Opportunity and Natural Resources.

Driven by Innovation, Diversity, and Renewable Energy.



# Nevada's Business Case

*“In the end, the business basics are what really matter: proximity to suppliers and strong linkages, proximity to customers, an adequate supply of skilled labor, adoption of technological innovation, and well-maintained and efficient infrastructure. “*

# Nevada - Your Business Opportunity:

Advantages that make Nevada popular for business opportunities:

## 1. Corporate/Business Advantages

- Tax structure, consistent tax & business policies
- Low cost to incorporate and business friendly environment
- Incentive programs

## 2. Geographic Location & Resources

- Proximity to large markets (megaregions)
- Excellent infrastructure (transportation & logistics)
- Natural resources

## 3. Education, Workforce and Lifestyle

- Excellent education system that collaborates with the business sector
- Accessible and efficient workforce

# Tax Structure Comparison – Major Tax Categories:

## Nevada vs. Representative States in the Region:



- Western Region
- Mid-West Region
- Eastern Region

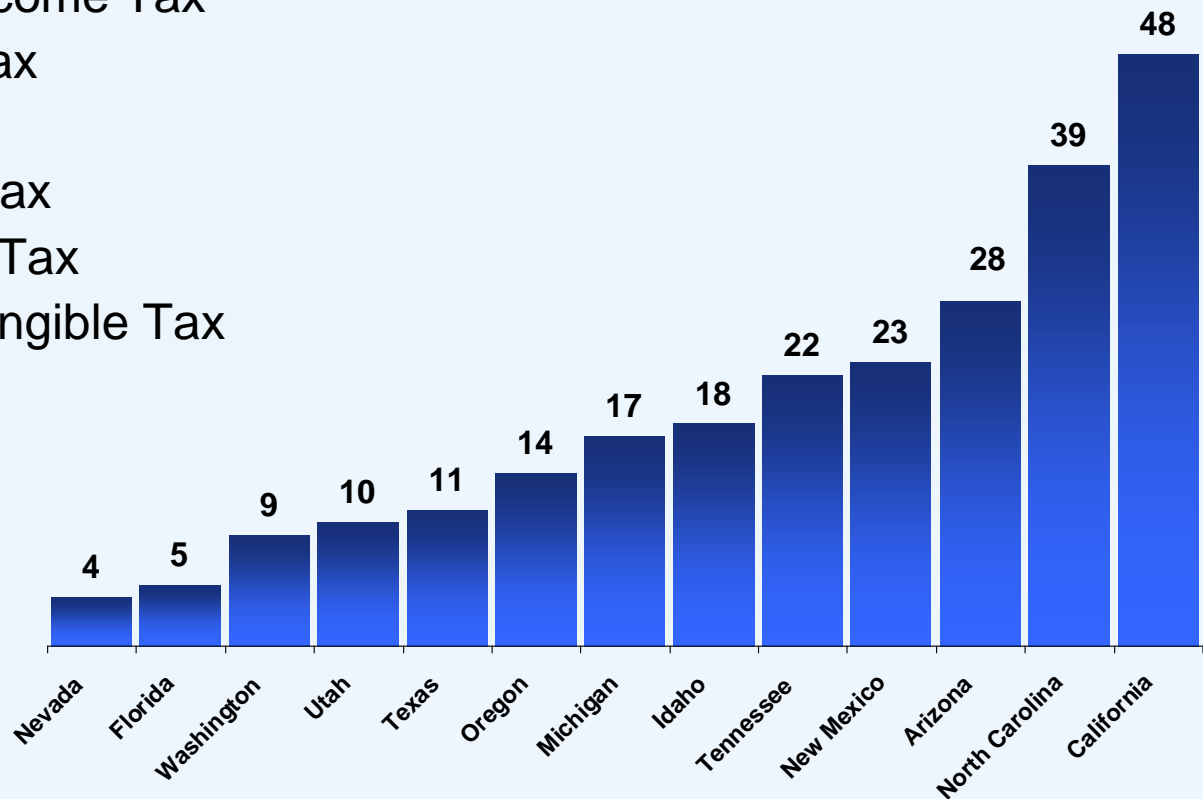
State	Corporate Income Tax	Personal Income Tax	Sales Tax
Nevada	No	No	✓
California	✓	✓	✓
Arizona	✓	✓	✓
Utah	✓	✓	✓
Oregon	✓	✓	✓
Idaho	✓	✓	✓
Washington	No	No	✓
New Mexico	✓	✓	✓
Texas	No	No	✓
Florida	✓	No	✓
North Carolina	✓	✓	✓
Tennessee	✓	No	✓
Michigan	✓	✓	✓

# Nevada's Corporate & Business Advantages:

**Nevada's Tax Structure** is one of the least burdensome in the nation:

- NO Corporate Income Tax
- NO Personal Income Tax
- NO Inventory Tax
- NO Unitary Tax
- NO Franchise Tax
- NO Inheritance Tax
- NO Special Intangible Tax

State of Nevada was ranked **# 4** **best state** in the Tax Foundation's *2011 State Business Tax Climate Index*.



# Best & Worst U.S. States for Doing Business:

**Chief Executive's** sixth annual survey asked 543 CEOs to grade each state based on the following criteria:

- Taxation & Regulation,
- Workforce Quality
- Living Environment.

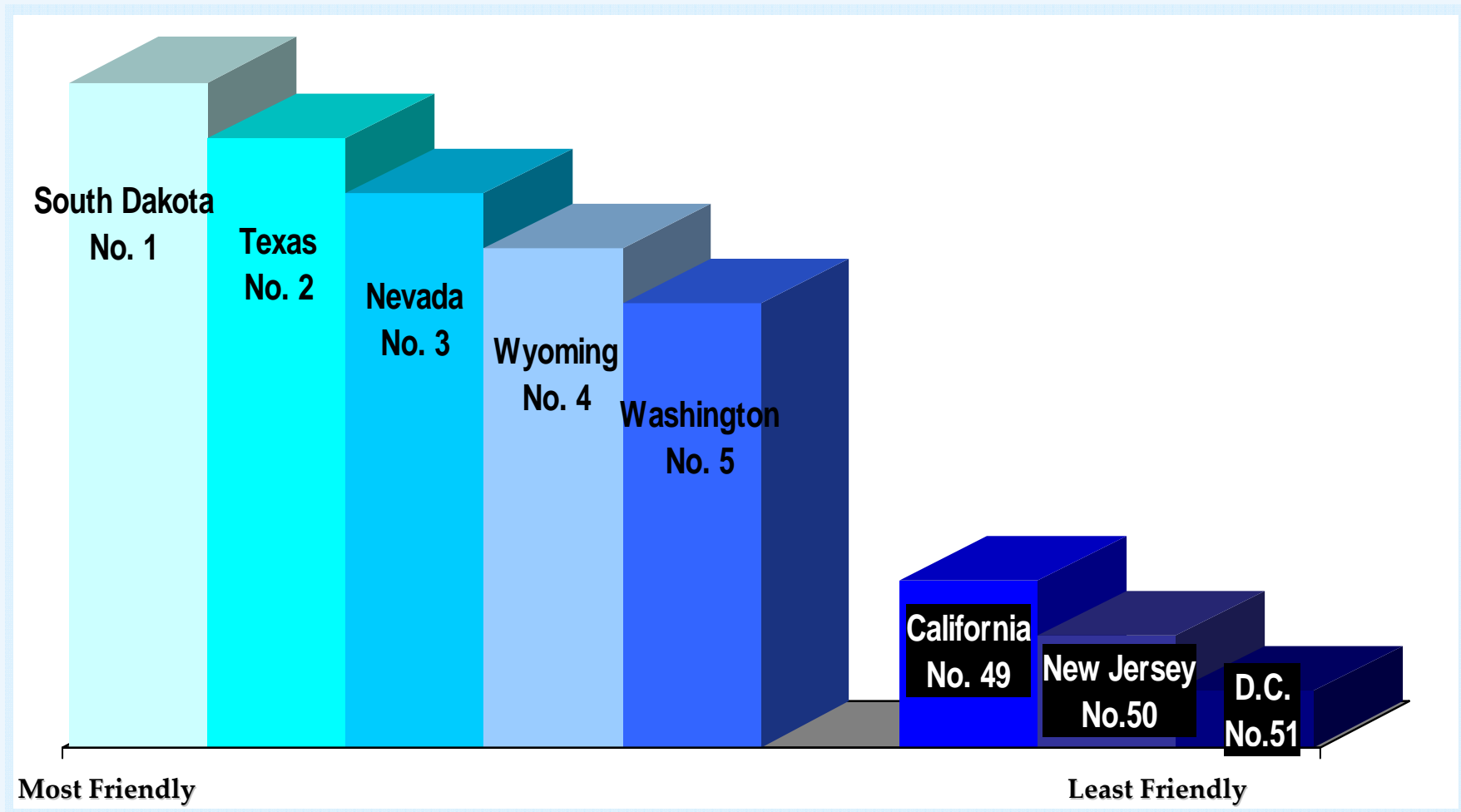
State of Nevada was ranked **# 5** based on given criteria.



Name of State:	Nevada
Ranking	5
Gross State Product (\$ per capita)	127,213
Civilian Labor Force	1,375,100
Employment	1,196,600
Population Growth Rate	1.04%

Source <http://www.chiefexecutive.net/media/usbestandworststates/2010>

# Entrepreneur Friendly States:



Source: Small Business & Entrepreneurship Council. Factors in ranking included taxes and regulatory cost, government spending, property rights, health cares, energy cost, among others -2010.

# State Incentive Programs:

- **Sales & Use Tax Abatement** – on eligible machinery and equipment; under abatement rate would be 2%
- **Sales Tax Deferral** – setting up interest free payment plan for taxes in the equal monthly payments over 60 months period (5Yrs)
- **Modified Business Tax (Payroll Tax) Abatement** –50% for 4 Yrs on new jobs
- **Personal Property Tax Abatement** – up to 50% abatement of personal property tax for up to 10 years on eligible equipment

In addition to tax incentives, the State of Nevada offers training program incentives:

- **Train Employees Now (TEN)** - training administered and conducted in partnership with Nevada's community colleges
- **On the Job Training** – administered by Nevada Department of Employment Training and Rehabilitation (DETR)
- **Job Placement** - Nevada Job Connect recruitment and employee search/job placement services are available at no cost to the employer





# International Service – Foreign Trade Zones:

FTZ are restricted-access sites considered outside the U.S. Customs territory, but physically located in the U.S.

## **Benefits of FTZ:**

- Allows foreign and domestic merchandise to be admitted for operations such as storage, exhibition, assembly, manufacture and processing, without being subject to formal U.S. Customs entry procedures, duties or excise taxes.
- With no inventory, corporate income, or personal income taxes, Nevada's FTZ offers an attractive incentives.

## **Nevada's Foreign Trade Zones:**

- [FTZ Northern Nevada, Reno/Sparks:](#) - at nearly 1,300 acres is one of the largest in the nation and has been approved for Alternative Site Framework which allows most of the metro region to be designated an FTZ in approximately 30 days.
- [FTZ Southern Nevada, Las Vegas:](#) - is one of the most cost-effective and best situated for storing and distributing goods in the West.

# International Service – EB5 Visa Program:

The immigrant investor, or EB-5, program is a highly beneficial permanent residence option for foreign investors.

## **Basic Criteria:**

The foreign investor may invest:

- in a commercial enterprise – owned by investor or by other parties, or
- in a government approved Regional Center

that will create/preserve 10 full time jobs for US workers.

The amount of investment is:

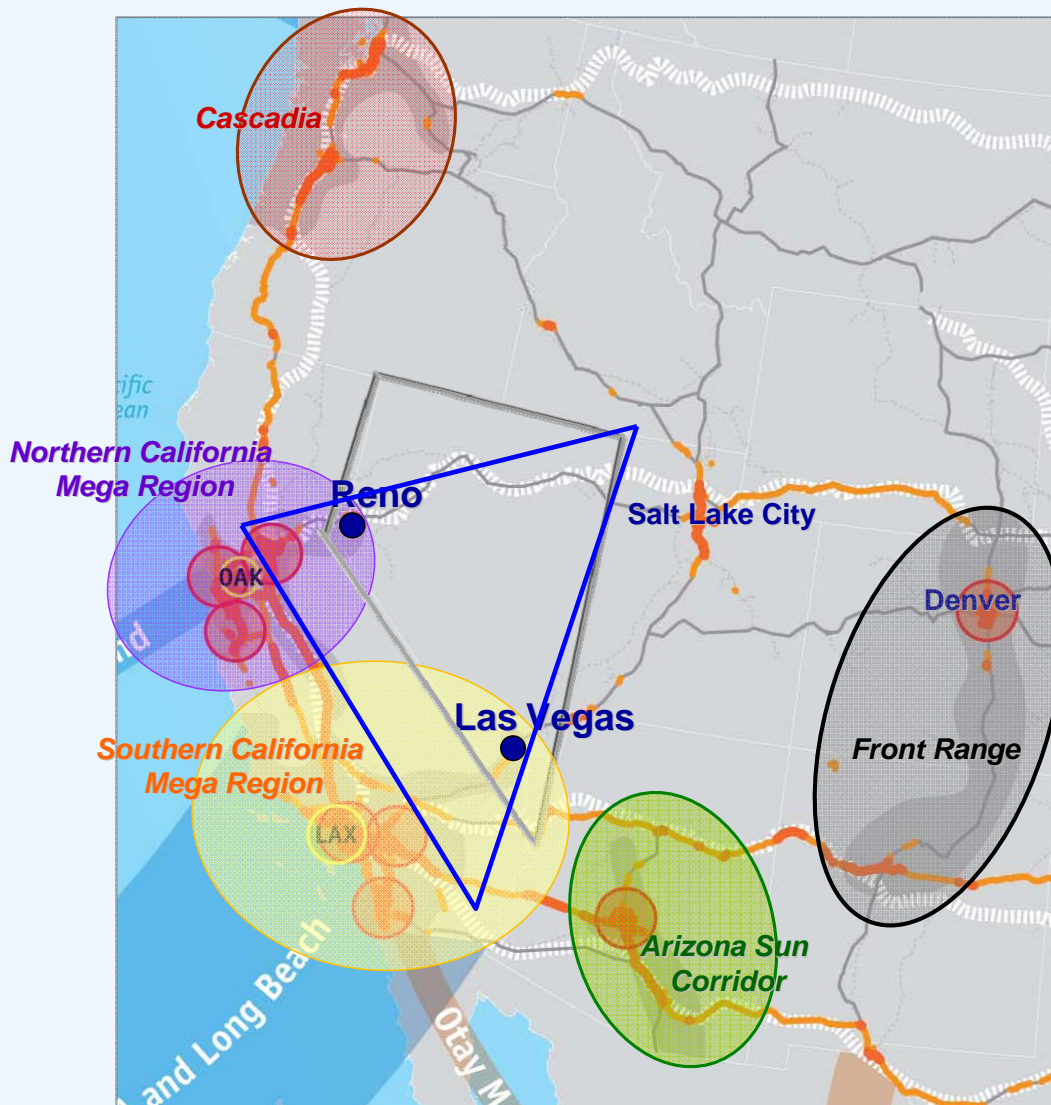
- \$500,000 in targeted rural or high unemployment areas
- \$1 million in other areas

## **Important Note:**

Investor has to be able to document the lawful source of investment funds, whether his or her own or funds given to him or her as a gift. The permanent residence obtained by the investor is conditional for two years and can be made permanent upon satisfying USCIS at the end of the two years that the investment proceeds have not been withdrawn and the requisite jobs have been created.

For detailed information and program criteria, contact a local Regional Center - Nevada EB5 Regional Center: Clark County, Nevada Regional Economic Development Center (NREDC), or Las Vegas Regional Center .

# Geographic Location - Proximity to Major Markets



Source: <http://www.america2050.org/>

## Location:

- Centrally located to major western cities including San Francisco, Portland, Salt Lake City, Las Vegas, and Los Angeles.

## Megaregions:

- As a part of **Northern California** and **Southern California Megaregion** Nevada has easy access to California's markets without California's tax burden.
  - combined 12% of US GDP is represented in these two regions.
- Because of its central location, Nevada also has access to megaregions of northwest – **Cascadia**, **Arizona Sun Corridor** and **Front Range** megaregion.

(**Megaregions** - metropolitan area that expanded creating interlocking economic systems)

# Infrastructure – Transportation Network

Nevada is strategically located with an extensive transportation network



## Highway Structure:

- **I-80 corridor** – servicing east-west traffic
- **US 395 corridor** – servicing north-south traffic
- **US 50 corridor** - connects to the US 395 corridor
- **US 95 corridor** – connecting the I-80 corridor and the US50 corridor and the I-15
- **Electric Highway** – an existing network of chargers along I-80 to get EVs from the Bay Area to Tahoe. NV Energy is working to extend this electric highway into Reno.

## Airports:

- **McCarran Intl. Airport (Las Vegas)**  
6th busiest airport in the Northern America
- **Reno-Tahoe Intl. Airport**  
strategically located between major ports of San Francisco and Los Angeles, this airport is an official diversion airport for all CA Bay Area airports.

## Railroad:

- **Transcontinental Railroad** – has quick access to the ports in the San Francisco Bay area and provides efficient rail cargo distribution.

# Infrastructure – Logistics & Distribution Network:

- The logistics industry provides a complete transportation network, and international logistics services support to key business sectors.
- More than 50 carriers serve Nevada, offering transcontinental, fast-freight and van-line shipping to major markets that are within one or two day truck transit range:

## ★ Reno area:

Logistics and distribution are the largest segment of the Greater Reno-Tahoe economy and it's ranked **"4-Star Logistics Metro"** by *2006 Logistics Quotient, Expansion Management and Logistics today.*

## ★ Las Vegas area:

Las Vegas is a **"net-importer"** more freight arrives than leaves, making the shipping cost to other cities very low.



City	Reno	Las Vegas
	Highway Miles	Highway Miles
Denver, CO	1,044	745
Los Angeles, CA	475	271
Phoenix, AZ	753	289
Portland, OR	586	1,189
Sacramento, CA	135	562
Salt Lake City, UT	526	423
San Diego, CA	575	327
San Francisco, CA	231	570
Seattle, WA	721	1,261

**One and two day trucking service from Nevada to major markets**

# Workforce & Employment:

## Nevada is a Right to Work State:

Right to Work Law secures the right of employees to decide for themselves whether or not to join or financially support a union. However, employees who work in the railway or airline industries are not protected by a Right to Work law, and employees who work on a federal enclave may not be.

### ✓ **Policy on Union Membership, Organization, etc.**

- No person shall be denied the opportunity to obtain or retain employment because of non-membership in a labor organization.

### ✓ **Prohibited Activity**

- Agreements prohibiting employment because of non-membership in labor organization; strike or picketing to force or induce employer to make agreement; compelling person to join labor organization, strike, or leave employment; conspiracy to cause discharge or denial of employment or to induce refusal of work on basis of membership

# Workers' Compensation:

Nevada law requires all business owners to obtain and maintain workers' compensation coverage:

- ***Employers may obtain workers' compensation insurance from a private insurance company*** authorized to provide workers' compensation in Nevada by the Division of Insurance (DOI).
- If qualified, an employer ***may be self-insured*** through an approval process overseen by the DOI.
- For smaller businesses there are ***associations of self-insured employers*** - groups of employers (generally in the same type of business) which are members of the association.

# Education – Key to Success:

- **Excellent public & private K-12 education:** - include several charter schools such as *Davidson Academy*, and *Carrier Technical Academies* and *Advanced Technologies Academy*
- **Higher education:** – Individuals\* who relocate to Nevada for the primary purpose of fulltime employment are eligible for in-state registration fees at the Nevada System of Higher Education:
  - University of Nevada, Reno
  - University of Nevada, Las Vegas
  - College of Southern Nevada
  - Nevada State College
  - Truckee Meadows Community College
  - Western Nevada College
  - Sierra Nevada College
- **Millennium Scholarship Program:** Qualifying high school graduates in Nevada are eligible to receive the scholarship towards their cost of education at any Nevada public college or university, as well as certain Nevada not-for-profit universities.

\*Spouses and dependent children may be deemed eligible residents for tuition purposes.



# Education - Quality K-12 Education:

## The Davidson Academy of Nevada:

- A free public school for profoundly gifted middle and high school students.
- The mission of The Davidson Academy is to provide an advanced educational opportunity matched to their abilities, strengths and interests.
- Located on the University of Nevada, Reno campus gives the opportunity for students to access university courses for advanced studies.
- To learn more visit: <http://www.davidsonacademy.unr.edu/>

## Advanced Technologies Academy:

- A Clark County School District Magnet School.
- Magnets have their roots in the concept of district-wide specialty schools.
- Academy is based upon the concept of Academics plus Technology where students are attending A-TECH study one of eight specialized program areas based upon the integration and use of technology.
- To learn more visit: <http://www.atech.org/>

# Higher Education – University of Nevada Reno (UNR):

## The College of Engineering:

- Developed nationally recognized research and outreach programs
- One of the best graduate schools in the nation and also ranks in the top 5% of the 4,000 four-year colleges and universities (*U.S. News and World Report*).

**Research and Facilities:** - maintains a number of laboratories and research centers, including Computer Networking Laboratory , Software Engineering Laboratory, Electric Drives Lab, Sustainable Energy Laboratory, Renewable Energy Center

## Department of Mechanical Engineering:

- Accredited by the Engineering Accreditation Commission of the Accreditation Board for Engineering Technology (ABET), Inc.

## The Great Basin Center for Geothermal Energy :

- Conducting research on geothermal energy as viable energy source

Renewable Energy Center, UNR and College of Engineering, UNR are conducting research in collaboration with Sierra Nevada Co. and Desert Research Institute to develop a transportable, renewable-energy, power generating system to produce and supply energy. ([http://www.unr.edu/silverandblue/archive/2010/fall/NSB\\_Fall\\_2010\\_16-25\\_Web.pdf](http://www.unr.edu/silverandblue/archive/2010/fall/NSB_Fall_2010_16-25_Web.pdf))



# Higher Education – University of Nevada, Las Vegas (UNLV):

## The Howard R. Hughes College of Engineering:

- Provides research and academic programs to more than 1,600 undergraduate and graduate students.

**Research and Facilities:** - maintains a number of laboratories and research centers, including maintains a number of laboratories and research centers, including Center for Energy Research, Center for Materials and Structures, Energy Materials Interaction Technology Initiative of Nevada.

## The Harry Reid Center for Environmental Studies:

- Provides support multi-disciplinary research teams, provide expertise to solve complex environmental problems, and develop innovative environmental monitoring technology.

UNLV and a number of committed community members are developing a Solar Solution Center that will establish UNLV as a national center of excellence – a solar research hub of the Southwest.

([http://issuu.com/university.of.nevada.las.vegas/docs/unlv\\_magazine\\_fall\\_2009](http://issuu.com/university.of.nevada.las.vegas/docs/unlv_magazine_fall_2009))

# Higher Education – Desert Research Institute (DRI):

- Conducts cutting-edge applied research in air, land and life, and water quality across Nevada, the United States and on every continent.
- For higher education students, DRI provides a learning environment strongly focused on collaborative, interdisciplinary research:
  - Atmospheric Sciences Graduate Program
  - Graduate Program of Hydrologic Sciences at UNR (rank top 10 by US News & World Report)
  - GreenPower Program and more
- DRI is also committed to Nevada's K-12 education system and the professional development of its teachers. DRI emphasizes "teaching the teachers" so they can bring real world knowledge back into their classrooms.

The DRI Clean Technologies and Renewable Energy Center is focused on wind energy application, bio-mass energy systems research and development



# Millennium Scholarship Program:

In 1999, the Governor Guinn Millennium Scholarship initiative was enacted into law by the Nevada Legislature, creating the Millennium Scholarship trust fund to be administered by the State Treasurer.



Qualifying high school graduates in Nevada are eligible to receive the scholarship towards their cost of education at any Nevada public college or university, as well as certain Nevada not-for-profit universities.

# World Class Research Institutes:

Nevada has some of the world finest research institutes:

- UNLV Harry Reid Research & Technology Park
- Nevada Cancer Institute
- Cleveland Clinic Lou Ruvo Center for Brain Health
- The Nevada Neuroscience Institute
- Desert Research Institute (DRI)
- Renewable Energy Center - UNR



# Why Nevada?

## Corporate Advantages:

✓ It is one of the top states in which to operate because of its well-established reputation for business-friendly laws and tax structure, an accessible regulatory environment, legal system that works in favor of business, and economic development incentive programs.

## Geographic Location - Proximity to Major Markets

✓ Nevada has easy access to California's markets, a superior infrastructure – logistic & distribution network, telecommunications and utilities.

## Lifestyle Advantages:

✓ Strong quality educational institutions, available professional and cost-effective workforce.

✓ Fast-paced cities, comfortable, family-based communities, arts, culture, dependable public services, and diverse recreational opportunities.

# Nevada Commission on Economic Development

[www.DiversifyNevada.com](http://www.DiversifyNevada.com)

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