

Welcome to a **brighter** Nevada.

Founded on Independence, Opportunity and Natural Resources.

Driven by Innovation, Diversity, and Renewable Energy.



Nevada Commission on Economic Development (NCED)

Nevada's leader in developing and maintaining a diverse economic base, ensuring a healthy economy for the Silver State.

➤ Our Mission:

To promote a robust, diversified and prosperous economy, enriching the quality of life for Nevada citizens by stimulating business expansion and retention, attracting new businesses and facilitating community development (infrastructure, education, workforce) to enable economic growth and prosperity.

➤ Our Tools:

Wide spectrum of programs implemented to create jobs for Nevadans:

- Business Development
- Workforce Development
- Global Trade & Investment
- Nevada Procurement Outreach Program
- Rural Community Development/Community Development Block Grant (CDBG)
- Film Office



Led by Governor Sandoval and Lt. Governor Brian Krolicki

NCED

utilizing/implementing the following Programs

Business Development

Global Trade

Rural Community Development CDBG

Procurement Outreach Program (POP)

Film Office

working closely with following Organizations/Entities

- Development authorities
- Higher Education Inst.
- Small Business Development

- USDA
- WUSATA – Fed Ag. program
- Dept. of Commerce

- Counties
- Grantees
- Rural NV Develop. Corp
- Western NV Develop. District

- Dept of Defense
- Other federal contractors
- State purchasing

- Cities & Municipalities
- Bureau of Land Management

Proven Results Across Departments – Fiscal Year 2010

The Nevada Commission on Economic Development helped to sustain, retain and create more than 15,909 jobs for Nevadans through these programs:

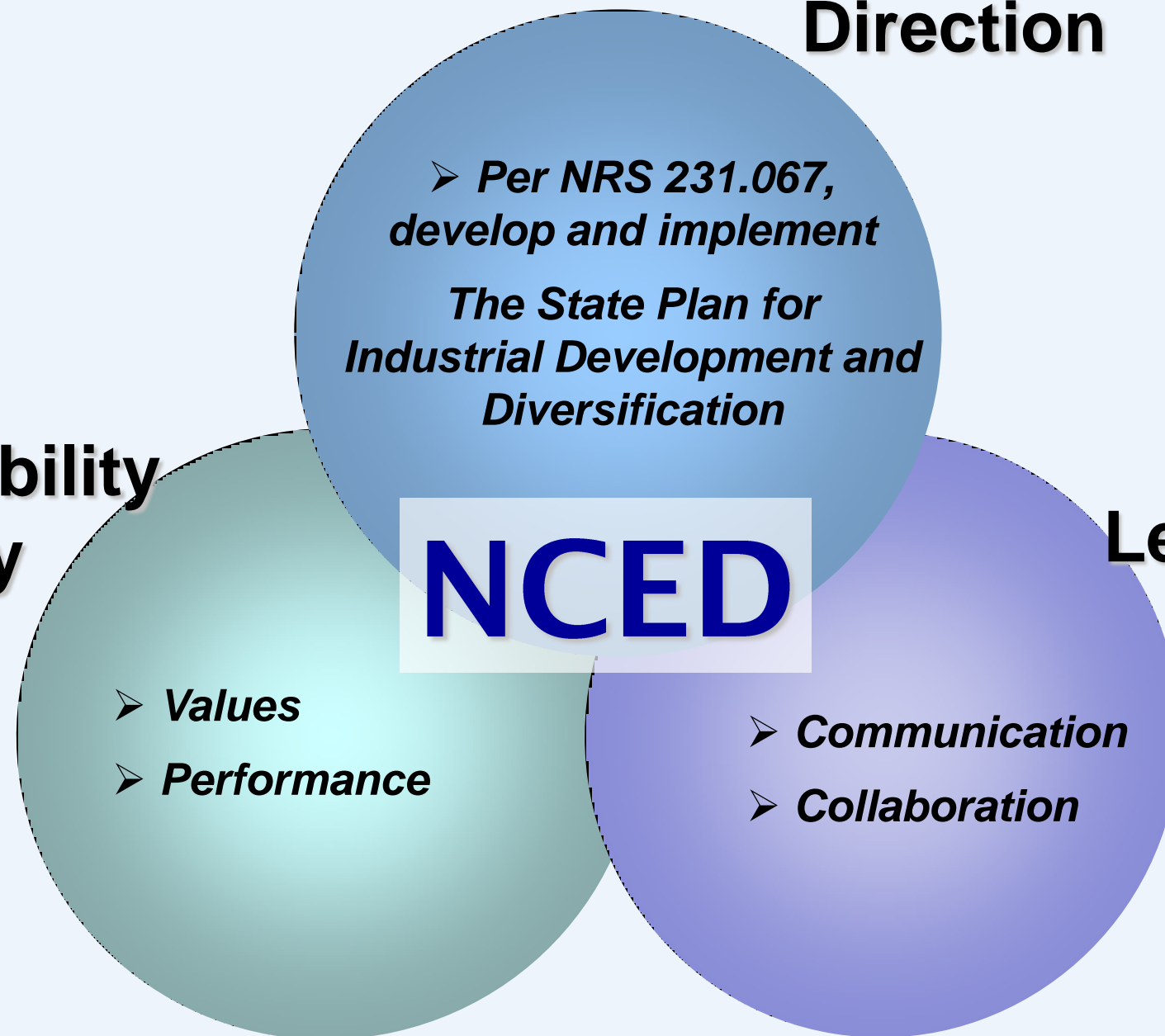
- Nevada gained \$109.8 million in new capital investment through business incentive applications submitted to the Commission.
- POP clients reported secured government contracts for products and services with a total new sales value of nearly \$604.4 million.
- Global Business Development Program's activity included foreign trade shows, trade missions and inbound buying mission all of which contribute to \$327 million in increased exports and the creation of nearly 2,500 jobs.
- Foreign direct investment (FDI) in Nevada grew significantly with the Chinese announcing a \$344 million investment in the state's renewable energy sector.
- The Community Development Block Grant program infused \$4.5 million into rural Nevada for infrastructure and capacity building—resulting in 102 local contracts for engineering and construction contractors with a total value of \$3.1 million.
- In FY 2010, the NFO facilitated more than 350 productions which resulted in over \$81 million in revenue.

Role of NCED in Economic Development:

Statewide Strategic Direction

Accountability & Integrity

Leadership



Business Development Activities

New Business Attraction

- Develop new leads by attending targeted trade shows, database mining, site selectors, personal relationships, providing an excellent product to inbound activity.
- Work in cooperation with the statewide network of Development Authorities to close deals
- **WE NEED YOUR HELP!!**

Custom Business Research and Analysis

- Build the business case and customized reports for each lead

Incentives

- Managing the statewide incentive program

Statewide Marketing and Public Relations

- Showcase Nevada as a premier business location to global and domestic companies

Technology Commercialization

- Generate new technology based jobs through R&D activity



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. “

~This is available to the public and also available in a one page format



Nevada - Your Business Opportunity:

Advantages that make Nevada popular for business opportunities:

1. **Geographic Location & Resources**

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

2. **Corporate/Business Advantages**

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

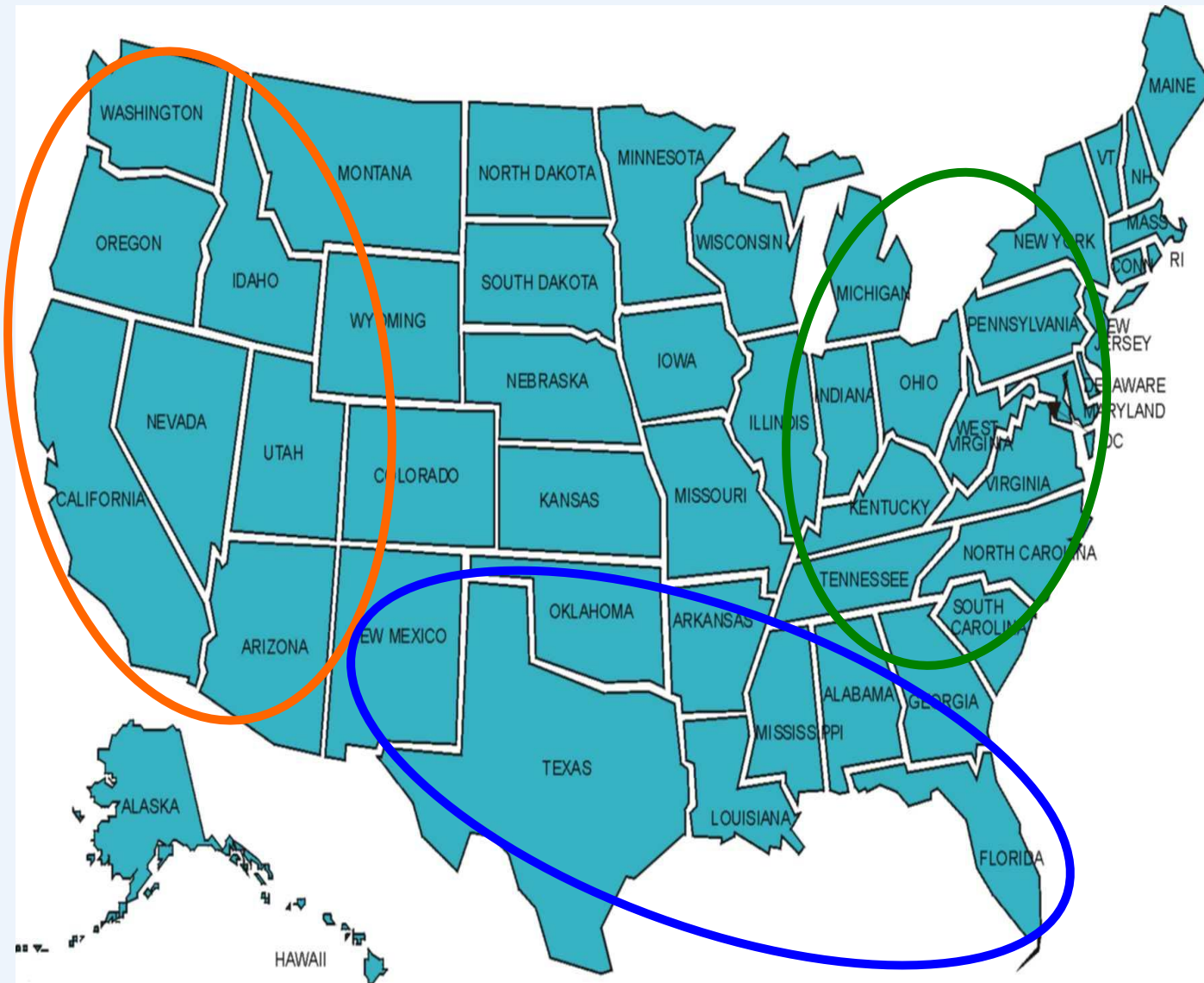
3. **Education, Workforce and Lifestyle**

- 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 – neighbor countries
- 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	✓	✓	✓

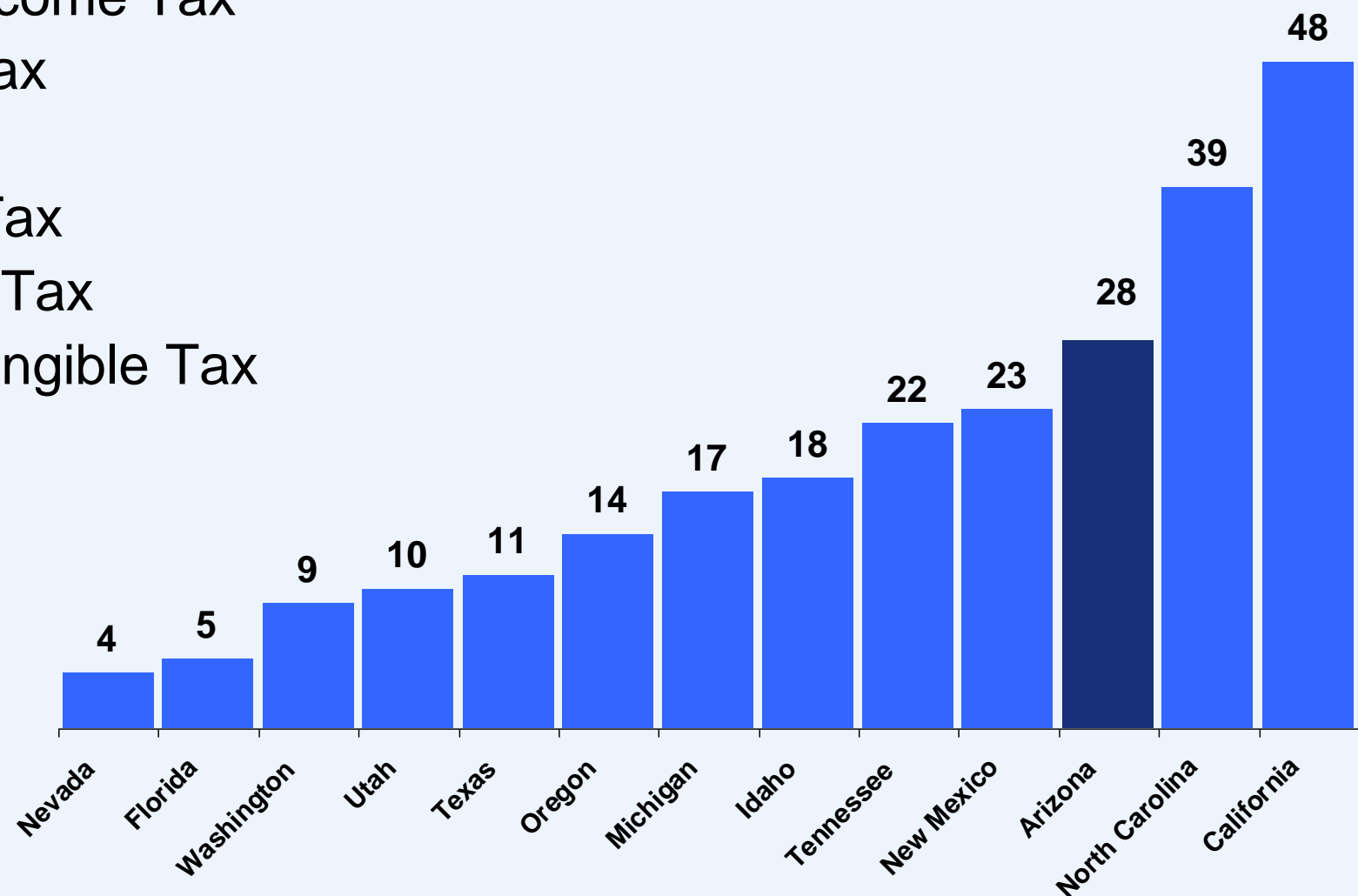
* Business in WA are subject to business and occupation tax based on gross receipts of the business.

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.

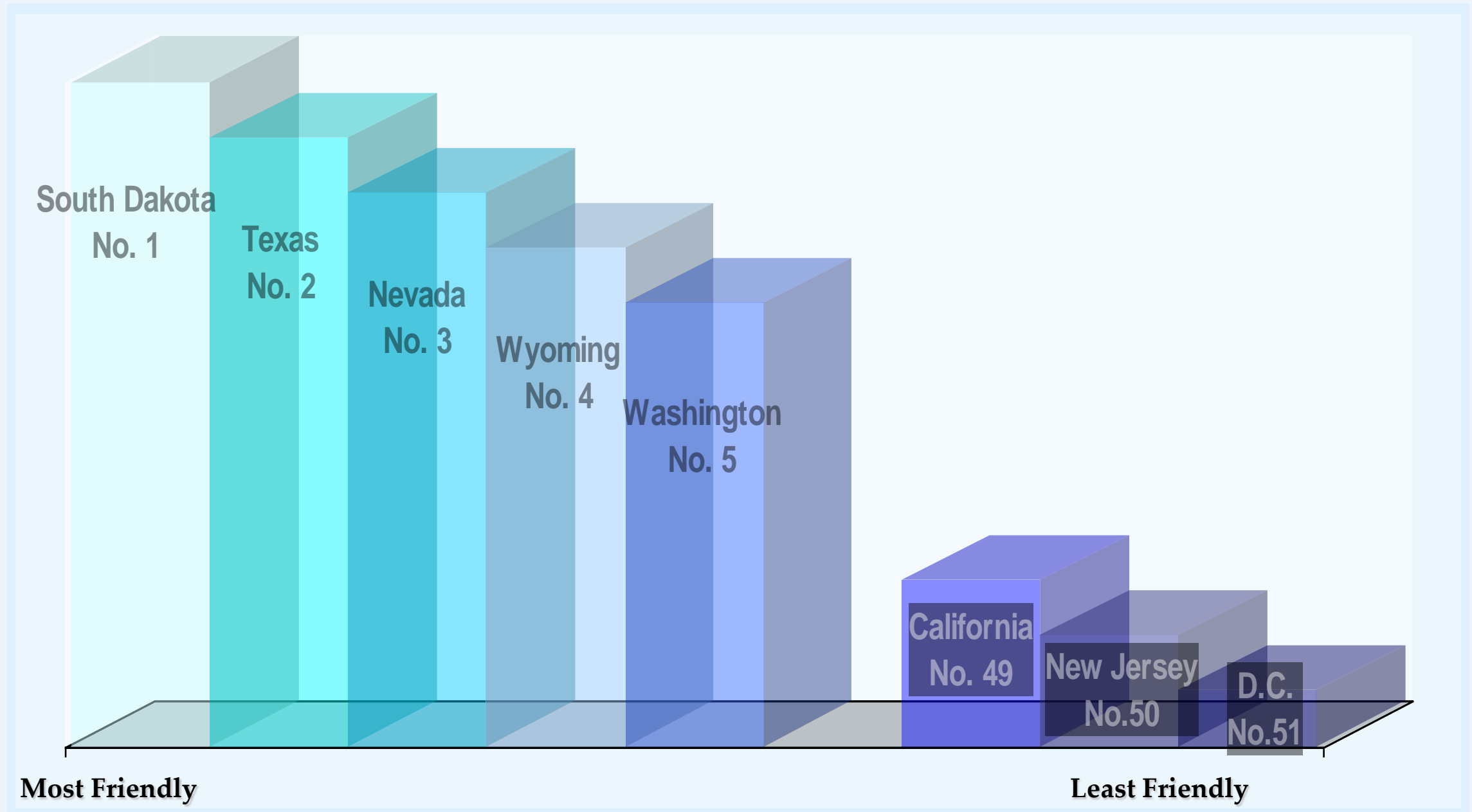
State of Nevada was ranked **# 5** based on given criteria.



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:

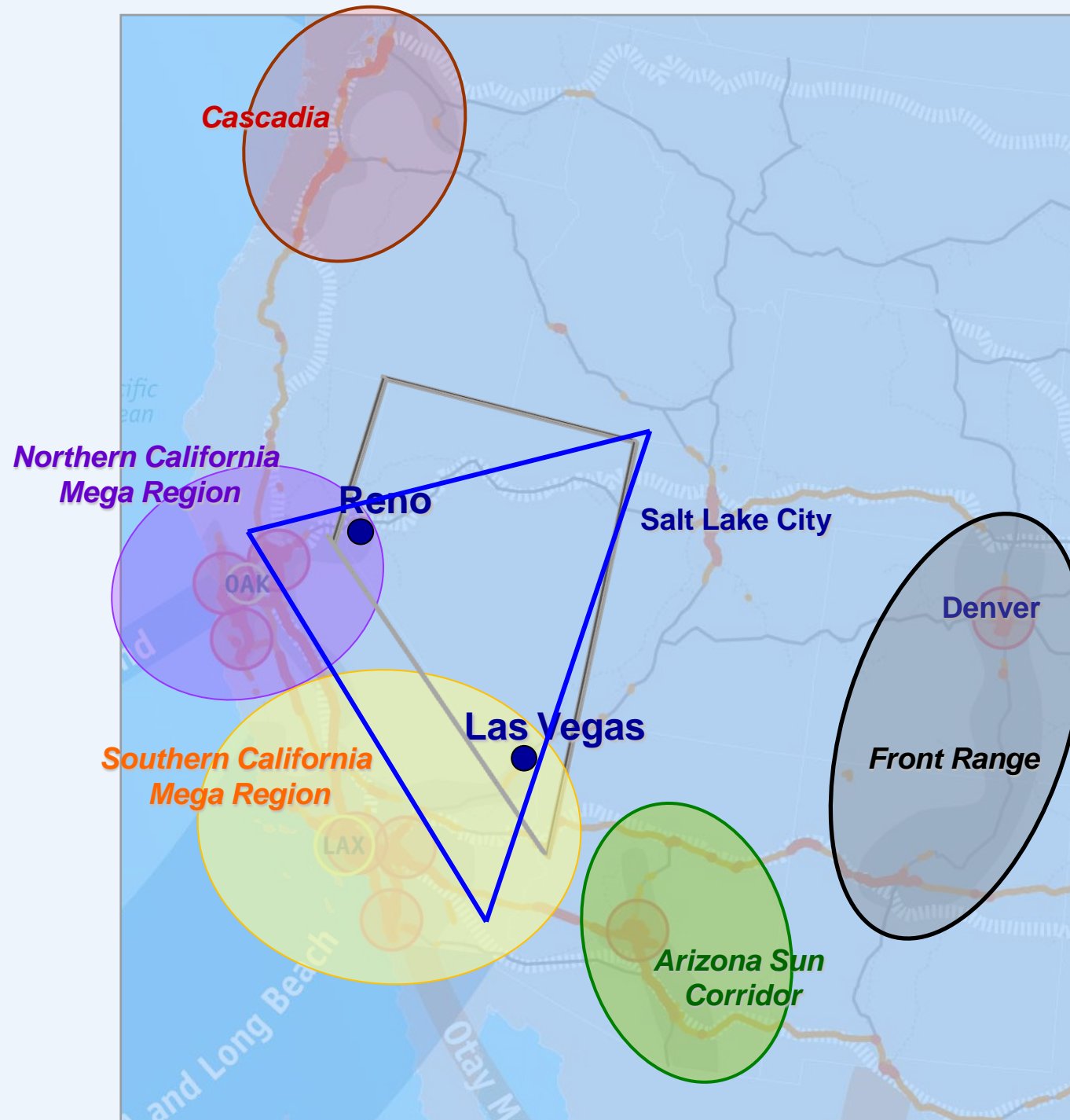
- \$500,000 in targeted rural or high unemployment areas
- \$1 million in other areas

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 following megaregions: **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:

✓ 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:

- Nevada workers compensation rates have **gone down 9 out of the past 12 years** (including 2011) and Nevada's rates are among the lowest in the west coast.
- ***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.

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.



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