

Nevadans may be asked to vote on 2% business tax

By Andrew Doughman, Las Vegas Sun

Here's one for the holiday shoppers in Nevada whisking in and out of retail stores.

No state business tax means you should be getting better prices here than in other states, right?

After all, if businesses pay fewer taxes in Nevada than in other states, the savings ought to trickle down to Nevada consumers. It's simple logic: Hey, the state's giving you a break, so how about cutting us a break?

But just the opposite is happening, says Guy Hobbs, founder of Hobbs, Ong & Associates, Inc., a Las Vegas-based financial advisory firm. Nevadans are effectively subsidizing other states' consumers because people living in high-tax states are paying about the same price as people do in Nevada when they shop at national retailers, Hobbs said.

And the complaint doesn't stop there. Nevadans also are paying with a diminished quality of life that is rubbed in our noses with every new ranking that compares Nevada dismally with the other states.

Some political activists say it's time for large companies to pay more to do business in Nevada and are advocating a tax measure to wring money out of companies for Nevada's education system.

That effort comes in the form of a proposed 2 percent business margins tax, which teachers and others want voters to approve in the Nov. 4 election.

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