

Judge throws out petition to repeal Nev. tax package

By Michelle Rindels, AP

CARSON CITY – A Carson City judge tossed out a petition Thursday that seeks a ballot question repealing the entire \$1.1 billion tax package that Nevada lawmakers passed this spring.

Judge James Todd Russell dismissed the measure brought forth by Las Vegas anti-tax activist Chuck Muth, who did not show up to the hearing and has been trying to move the matter from state to federal court. Russell ruled against efforts to take it out of his jurisdiction and did not excuse Muth's absence.

"We're pleased with the determination and the actions of the court today," said Matt Griffin, a lawyer with the Coalition for Nevada's Future PAC, which is defending the tax package. "There are rules that govern the petition process and rules that govern the judicial process, and Judge Russell applied both fairly and correctly today."

Muth wants to circulate a petition and ultimately create a ballot question that would repeal the taxes. He says lawmakers passed the measure, which is worth more than \$1 billion over the next two years, against the will of voters who overwhelmingly rejected a 2014 ballot question to impose a margins tax.

The Coalition for Nevada's Future challenged the petition in court, saying it violates the Nevada requirement that ballot measures deal with only a single subject and did not properly explain the consequences of repealing the new law.

Muth, who said he thought the court date would be postponed, said he was surprised the hearing proceeded but is not

surprised by opposition to his repeal efforts.

“This is par for the course,” Muth said about the ruling, noting that he’s exploring his options for next steps. “They were going to do everything in their power to prevent the people from voting on this.”

Muth said he didn’t find out that the hearing was still on until Tuesday, and sent the judge a letter through overnight mail saying he couldn’t come to northern Nevada on such short notice. He said he thought all state court proceedings were on hold because he filed a motion Sept. 11 to move the matter to federal court.

Thursday’s hearing is not expected to be the end of the battle over the taxes, which were backed by Gov. Brian Sandoval and passed the Legislature with more than two-thirds approval after extensive debate.

Other tax opponents are seeking to repeal just one portion of the three-part package – the new Commerce Tax based on gross revenue. That petition has not been filed.

Sandoval has spoken out against the efforts, saying they would create a deep hole in the state budget and reverse initiatives to improve schools.

“I strongly oppose the petition. Its passage will destroy a generational opportunity to finally modernize and improve an underperforming education system,” he said in August. “If our schools don’t improve, businesses won’t come here. The time is now to build the workforce of the future.”