

Nevada Voters Reject Proposed Margin Tax

November 5, 2014

On November 4, 2014, Nevada voters rejected the Education Initiative (the "Initiative")¹ that would have enacted a gross receipts ("margin") tax effective January 1, 2015.² Had it been approved, the Initiative would have imposed a 2% tax on the "taxable margin" of "each business entity engaged in a business" in Nevada.³

If you have questions regarding Nevada tax matters, please contact any of the following Deloitte Tax professionals.

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¹ The Initiative is accessible at: <http://nvsos.gov/Modules/ShowDocument.aspx?documentid=2425>.

² Initiative § 83.2(a).

³ Initiative § 22.1. Natural persons not engaged in business, entities with total revenue of \$1,000,000 or less, certain passive entities, and I.R.C. § 501(c) organizations would have been exempt from the tax. Initiative § 22.3.