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Businesses confident state's aversion to tax will hold up

By Phoebe Sweet

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If Chancellor Jim Rogers thought Nevada's business community would stand beside him in supporting corporate and personal state income taxes, he's probably feeling a little lonely right now.

Business leaders are so sure Rogers' idea won't find traction, they are not even feigning concern about the prospect of new taxes.

"One thing that continues to attract businesses and residents alike to the state is the low tax environment, and at the core of that is the lack of state income tax, a huge plus for Nevada," said Cara Roberts, spokeswoman for the Las Vegas Chamber of Commerce. "We would oppose corporate and personal income taxes. We've long been advocates for a low tax structure. And we believe it's the heart of our economic success story. The state has important needs, but we also need to look at our own fiscal responsibility."

Jeremy Aguero, a principal of the economic consulting firm Applied Analysis, said imposing income taxes would stifle economic growth and diversity because it would "change the competitive landscape for Nevada and Southern Nevada. Part of what makes our community competitive is that those type of taxes don't exist."

Aguero agreed that new revenue sources - increases, perhaps in the sales and car rental taxes - need to be considered to improve the state's transportation and education systems. "We all demand services, and we all need to participate in paying for them," Aguero said.

The chief lobbyist for the state's casino industry said even though income taxes are one of the fairest taxes, none of his members wants him to lobby for them.

"As a practical matter, income taxes are prohibited by the state Constitution," said Bill Bible, president of the Nevada Resort Association. "I can't imagine the general public changing their mind on this one."

Van Heffner, president and chief executive of the Nevada Hotel and Lodging Association, said he shares Rogers' concern about paying for higher education.

"But at the same time, we have to make sure we're not setting a climate that would be unfavorable to our travel and tourism industry," he said. "I respect and understand where he's coming from, but everybody should also respect the good business principles that we have in place. Nevada has had a very good business climate and any tax would undermine our basic Nevada philosophy."

[John Restrepo](#), a principal with [Restrepo Consulting Group](#), said if Nevada needs more money, it would make more sense to stick it to tourists.

"Tourists and visitors don't pay attention to taxes, and maybe we should look at that first before going toward more drastic changes in the tax structure," [Restrepo](#) said.

Sun reporters Richard N. Velotta, Stephanie Tavares, Brian Wargo and Jeff Simpson contributed to this report.

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