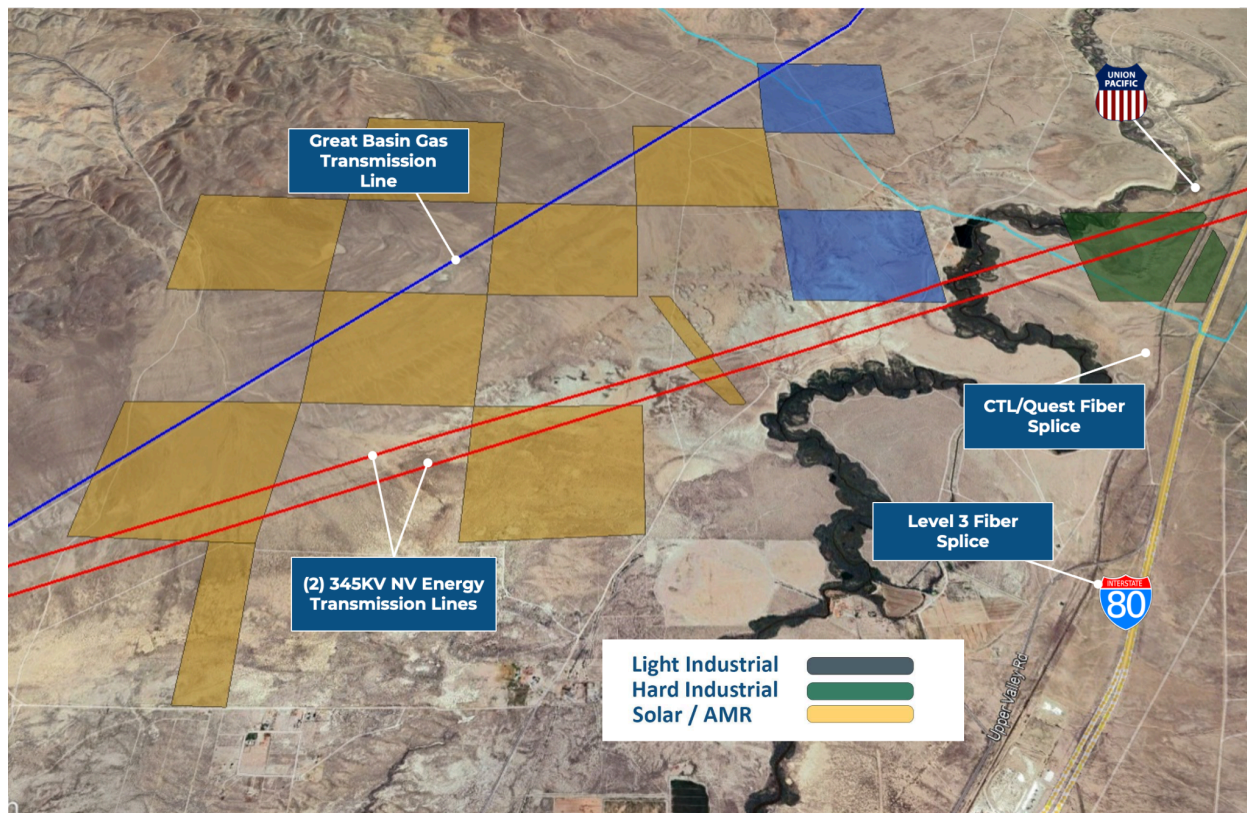


The Nevada Advantage: A Comprehensive Guide to Financial Incentives for Hyperscale Data Center Development



Version 2.0 | September 2025 Prepared by NVscale - NORTHERN NEVADA HYPERSCALE CAMPUS PROJECT - NNHCP

GIGAWATT SCALE DATA CENTER & ENERGY CAMPUS

1. Introduction: A Foundation for Growth

Nevada offers one of the most attractive and stable business environments in the world, specifically engineered to foster the growth of capital-intensive industries like hyperscale data centers. This guide provides a detailed overview of the multi-layered financial incentives available, from a foundational zero-tax structure to aggressive, industry-specific abatements and renewable energy programs. Our goal is to provide clarity and demonstrate the profound impact these programs can have on your Total Cost of Ownership (TCO) and long-term profitability.

2. Section I: Nevada's Foundational Tax Advantages

Before exploring specific programs, it's crucial to understand the bedrock of Nevada's financial appeal. The state constitution itself provides a tax structure that is simple, transparent, and highly favorable to corporations and their employees.

The "Zero-Tax" Environment

Nevada is one of only a handful of states with no significant broad-based business taxes.

- **NO** Corporate Income Tax
- **NO** Personal Income Tax
- **NO** Franchise Tax
- **NO** Inventory Tax
- **NO** Gross Receipts Tax

Competitive Landscape: A Clear Winner

This structural advantage becomes even more apparent when compared directly with neighboring and competing Western states.

Tax Category	Nevada	California	Arizona	Utah	Oregon	Washington
Corporate Income Tax	0%	8.84%	4.9%	4.85%	6.6-7.6%	N/A
Personal Income Tax	0%	1-13.3%	2.5%	4.85%	4.75-9.9%	N/A
Franchise Tax	0%	Yes	No	No	No	No
Inventory Tax	0%	Yes	Yes	Yes	No	Yes

The Takeaway: Your business avoids multiple layers of taxation that directly impact profitability in other states, providing more capital for investment, innovation, and growth.

3. Section II: Data Center Specific Tax Abatements (NRS 711)

The cornerstone of Nevada's appeal for hyperscale operators is a powerful, targeted tax abatement program designed to attract significant technology investments. This program provides substantial, long-term relief from the two largest tax burdens for a data center: personal property (servers, equipment) and sales tax.

Abatement Benefits at a Glance

- **Sales & Use Tax Reduction:** The statewide rate of 6.85% is reduced to a floor of **2.0%** (plus any applicable local rates, often totaling **~2.6%**).
- **Personal Property Tax Abatement:** A partial abatement of up to **75%** on taxes for servers, routers, and all related data center equipment.

Qualification Tiers

The program offers two long-term options based on the scale of your investment:

Tier 1: 10-Year Abatement

- **Minimum Capital Investment: \$25 Million**
- **Minimum Job Creation: 10** new, full-time employees.
- **Wage Requirement:** Jobs must pay at least 150% of the average statewide wage.

Tier 2: 20-Year Abatement

- **Minimum Capital Investment: \$100 Million**
- **Minimum Job Creation: 50** new, full-time employees.
- **Wage Requirement:** Jobs must pay at least 150% of the average statewide wage.

Financial Impact Example: On a **\$100 million** equipment purchase, the sales tax savings alone would be over **\$4.25 million** upfront. The ongoing personal property tax savings over a 20-year term can amount to tens of millions of dollars.

4. Section III: Solar & Renewable Energy Incentives

Align your corporate ESG goals with significant financial returns. Nevada's abundant natural resources are complemented by a suite of incentives designed to make large-scale renewable energy projects economically compelling.

Key Solar Incentives for B2B Operations

- **Federal Investment Tax Credit (ITC):** A **30%** federal tax credit on the total cost of a solar installation. This is a direct, dollar-for-dollar reduction of your federal tax liability, dramatically reducing the net capital expenditure.
- **100% Property Tax Exemption:** In Nevada, eligible solar energy systems are **fully exempt** from property taxes. This ensures that your investment in sustainable energy does not increase your long-term property tax burden.

- **Sales & Use Tax Reduction:** As with data center equipment, solar generation and storage equipment qualifies for the reduced sales and use tax rate, providing significant upfront savings.
- **C-PACE (Commercial Property Assessed Clean Energy) Financing:** This innovative financing mechanism allows businesses to fund 100% of their renewable energy and energy efficiency projects with **no upfront capital**. The loan is attached to the property and repaid over a long-term (20-30 years) through a special assessment on the property tax bill.
- **Net Metering:** Nevada's utility regulator, the PUCN, oversees a net metering program that credits you for excess energy your solar systems generate and send back to the grid, directly offsetting your utility costs.

5. Section IV: Broader Business Assistance Programs

Beyond data center and solar-specific incentives, the Governor's Office of Economic Development (GOED) offers a portfolio of programs to support businesses making a significant investment in the state.

- **Sales and Use Tax Abatement:** For general business equipment outside of the data center program, this can reduce the tax to 2% for qualifying businesses.
- **Modified Business Tax Abatement:** A 50% abatement for up to 4 years on Nevada's primary business tax (a quarterly payroll excise tax).
- **Silver State Works Employee Hiring Incentive:** Provides up to **\$2,000** per employee for employers who hire qualified individuals, reducing the initial cost of building your team.

For a confidential analysis of how these incentives could apply to your specific project, please contact us.

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**PERSHING
COUNTY**

LOVELOCK, NV

SIZE	+/- 6,436 Acres Available
ZONING	1,280 Acres Light Industrial (Blue) 526 (+/- 278 Acres usable) Hard Industrial (Green)
POWER	4,636 Acres AMR – Solar Developable (Yellow)
WATER	Multiple Gigawatts of Developable Power 4,500 AFA Industrial Water Rights Available



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