

## Compliance and Minimum Required Criteria for the State of Nevada Renewable Energy Tax Abatements

NRS 701A.300 to 701A.360

Effective through June 30, 2049

### Partial Local Sales and Use Tax Abatement

- For the duration of 3 years beginning on the date of abatement execution
- Any qualified purchaser of goods and equipment for Owner's facility shall not be required to pay sales and use taxes abated pursuant to Order. However, any qualified purchaser of goods and services is required to pay all unabated sales and use taxes imposed in this state at the statutory rate in accordance with NRS Chapter 374.
- Purchaser is the facility owner, contractors, and/or the subcontractors who purchase taxable materials related to the construction of the facility or on behalf of the facility owner, and report and remit tax to the Nevada Department of Taxation
- All materials subject to the general sales and use tax laws that are an associated and integral part of the facility will be eligible for abatement

### Partial Property Tax Abatement

- For the duration of 20 fiscal years immediately following the date of abatement execution
- Equal to 55 percent of the taxes on real and personal property payable by the facility each year

### Eligible Facilities:

- A facility that generates process heat from solar renewable energy and has an output capacity of at least 25,840,000 Btu per hour
- A wholesale facility that generates electricity from biomass, solar energy, water power, wind, or fuel cells and does not sell the electricity to the end user of the electricity but includes a facility that is owned, leased, or otherwise controlled by an entity that has the authority to sell electricity and provide transmission services or distribution or both
  - Uses renewable energy as its primary source of energy
  - Has a generating capacity of at least 10 MW
- A facility that generates electricity from geothermal resources
  - Nevada Energy Director cannot process an application without receiving approval for the facility from the board of the county commissioners
- A facility for the transmission of electricity produced from renewable energy or geothermal resources located in Nevada
- Local jurisdiction may request presentation regarding all eligible facilities within 30 days of receipt of the application by Director of NSOE

#### Non Eligible Facilities:

- A facility that is owned, operated, leased or otherwise controlled by a government entity
- A facility that is located on residential property
- A facility that is receiving any funding from any Nevada governmental entity for the acquisition, design, or construction of the facility or for the acquisition of any land, except private activity bonds as defined in 26 U.S.C. § 141.
- A facility that is receiving another abatement or exemption from local sales and use taxes
- A facility that is receiving another abatement or exemption from property taxes imposed pursuant to chapter 361 of NRS, other than any partial abatement provided pursuant to NRS 361.4722

#### General and Compliance Requirements:

- A facility must continue in operation for at least 10 years
- Applicant must obtain a valid Nevada business license
- Applicant must obtain all permits required by the county, city or town in which the facility operates
- Capital investments
  - \$10,000,000 or more (county population > 100,000 or city population > 60,000)
  - \$3,000,000 or more (county population < 100,000 or city population < 60,000)
- Number of full time construction employees, wages, and health insurance
  - 75 or more full-time employees during the second quarter of construction (county population > 100,000 or city population > 60,000)
  - 50 or more full-time employees during the second quarter of construction (county population < 100,000 or city population < 60,000)
  - At least 30 percent of the employees are residents of Nevada
  - The average hourly wage will be at least 150% of the average statewide hourly wage (excluding management and administrative employees)
- Wages of full-time permanent employees
  - The average hourly wage will be at least 110% of the average statewide hourly wage for each fiscal year (excluding management and administrative employees)
- Compliance with any future regulations for the general and compliance requirement as maybe enacted by the Nevada Energy Director is a requirement of the renewable energy tax abatements
- Applicant executes an agreement with the Director and continues to meet eligibility requirements for the abatement
- Executed agreement binds the successors of the facility
- Annual compliance filing with the Director of NSOE is a requirement of the renewable energy abatements

## Minimum Level of Health Insurance Benefits Required for Construction Employees

Health insurance plan must include basic medical and hospital care, including at least:

1. Emergency care
2. Inpatient and outpatient hospital services
3. Physicians' services
4. Outpatient medical services
5. Laboratory services
6. X-ray services; and
7. Minimum employer contribution, at the level of 80% of medical expenses after the employee paid deduction is met.