



DEPARTMENT OF ADMINISTRATION

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BUDGET DIVISION
ENERGY-RELATED TAX INCENTIVE FISCAL NOTE
FOR
Gradient Resources, Inc., Patua Phase II Project
as required by NRS 701A.375-1(a)

August 20, 2012

Prepared by: Janet Rogers for Jeff Mohlenkamp, Budget Division Director

Based on the information submitted by the applicant and provided to the Department of Administration by the Nevada State Office of Energy, the Budget Division estimates that the energy-related sales and use tax incentives provided to Gradient Resources, Inc., Patua Phase II Project renewable energy project will result in the State foregoing the following revenues:

STATE SALES AND USE TAX ABATED —

The Gradient Resources, Inc., Patua Phase II Project project application indicates they will purchase items subject to Nevada's 2.0% state sales and use tax totaling \$117,958,814. Given this information, the General Fund will be impacted by an abatement totaling \$2,359,177, less any applicable collection allowance.

<u>Fiscal Year</u>	<u>Expenditure Subject to Abatement</u>	<u>Amount Abated</u>
FY 2012	\$ 113,246,054	\$ 2,264,921
FY 2013	\$ 2,356,380	\$ 47,128
FY 2014	\$ 2,356,380	\$ 47,128
Total	\$117,958,814	\$ 2,359,177