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**FISCAL IMPACT
Renewable Energy Partial Abatement of Sales/Use Taxes
December 5, 2018**

**Techren Solar V, LLC
AFN 18-1121SPV**

In accordance with the provisions NRS 701A of the Nevada Revised Statutes, Techren Solar V, LLC has requested a Sales and Use Tax Abatement for their Renewable Energy Project. This project is located in Clark County. Upon approval, this project would be granted a partial abatement of Sales and Use Tax for a period of three years, commencing on the date of approval.

The Governor's Office of Energy has provided to the Department of Taxation a completed copy of the Renewable Energy Tax Abatements Application for this project. According to Schedule 6 of this application, Techren Solar V, LLC will purchase a total of \$49,580,000.00 worth of tangible, personal property subject to Sales and/or Use Tax during the first year of the abatement period. At the current Sales or Use Tax rate for Clark County, the full Sales Tax for these purchases would be \$4,090,350.00 less any applicable collection allowance.

According to Schedule 7 of this application form, Techren Solar V, LLC will purchase \$120,000.00 worth of tangible, personal property subject to Sales and/or Use Tax during the second year of the abatement period. Schedule 8 shows \$122,400.00 of tangible, personal property subject to Sales/and or Use Tax will be purchased during the third year.

Based on this information, the Department of Taxation projects the following Sales Tax related fiscal impact for the three years of the abatement period.

Sales Tax Component	Tax Rate	First Year	Second Year	Third Year	
	8.250%	2019	2020	2021	TOTAL
Sales/Use Tax (General Fund)	2.00%	\$991,600.00	\$2,400.00	\$2,448.00	\$996,448.00
Local School Support Tax	2.60%	\$1,289,080.00	\$3,120.00	\$3,182.40	\$1,295,382.40
Basic City Relief	0.50%	\$247,900.00	\$600.00	\$612.00	\$249,112.00
Supp. City County Relief	1.75%	\$867,650.00	\$2,100.00	\$2,142.00	\$871,892.00
County Option	1.40%	\$694,120.00	\$1,680.00	\$1,713.60	\$697,513.60

*Local School Support Tax Rate paid at time of purchase is subject to current rate in Statute

Total Amount Abated (State & Local/County):	1st year	\$2,801,270.00
	2nd year	\$6,780.00
	3rd year	\$6,915.60
	Total	<u>\$2,814,965.60</u>

Total Amount Abated (Local/County Only):	1st year	\$1,809,670.00
	2nd year	\$4,380.00
	3rd year	\$4,467.60
	Total	<u>\$1,818,517.60</u>

First Year Purchase	\$49,580,000.00
Second Year Purchase	\$120,000.00
Third Year Purchase	\$122,400.00

County	Clark
Sales Tax Rate	8.25%
Full Sales Tax First Year	\$4,090,350.00
Sales/Use Tax General Fund	2.00%
Local School Support Tax	2.60%
Basic City Relief	0.50%
Supp. City County Relief	1.75%
County Option	1.40%