



**STATE OF NEVADA  
DEPARTMENT OF TAXATION**

**Web Site: <http://tax.nv.gov>**

1550 College Parkway, Suite 115  
Carson City, Nevada 89706-7937  
Phone: (775) 684-2000 Fax: (775) 684-2020

**RENO OFFICE**  
4600 Kietzke Lane  
Building L, Suite 235  
Reno, Nevada 89502  
Phone: (775) 687-9999  
Fax: (775) 688-1303

**BRIAN SANDOVAL**  
*Governor*  
**ROBERT R. BARENGO**  
*Chair, Nevada Tax Commission*  
**DEONNE E. CONTINE**  
*Executive Director*

**LAS VEGAS OFFICE**  
Grant Sawyer Office Building, Suite 1300  
555 E. Washington Avenue  
Las Vegas, Nevada 89101  
Phone: (702) 486-2300 Fax: (702) 486-2373

**HENDERSON OFFICE**  
2550 Paseo Verde Parkway, Suite 180  
Henderson, Nevada 89074  
Phone: (702) 486-2300  
Fax: (702) 486-3377

**FISCAL IMPACT  
Renewable Energy Partial Abatement of Sales/Use Taxes  
March 9, 2015**

**Nevada Power Company dba NV Energy**

In accordance with the provisions NRS 701A of the Nevada Revised Statutes, Nevada Power Company dba NV Energy 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 Nevada State 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, Nevada Power Company dba NV Energy will purchase a total of \$30,229,779.00 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 \$2,448,612.00 less any applicable collection allowance.

According to Schedule 7 of this application form, Nevada Power Company dba NV Energy will purchase \$0.00 worth of tangible, personal property subject to Sales and/or Use Tax during the second year of the abatement period. Schedule 8 shows \$0.00 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	
	8.10%	JAN 2015 - DEC 2015	2016	2017	TOTAL
<b>Sales/Use Tax (General Fund)</b>	2.00%	\$604,595.58	\$0.00	\$0.00	\$604,595.58
<b>Local School Support Tax</b>	2.60%	\$785,974.25	\$0.00	\$0.00	\$785,974.25
<b>Basic City Relief</b>	0.50%	\$151,148.90	\$0.00	\$0.00	\$151,148.90
<b>Supp. City County Relief</b>	1.75%	\$529,021.13	\$0.00	\$0.00	\$529,021.13
<b>County Option</b>	1.25%	\$377,872.24	\$0.00	\$0.00	\$377,872.24

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

<b>Total Amount Abated (State &amp; Local/County):</b>	<b>1st year</b>	<b>\$1,662,637.85</b>
	<b>2nd year</b>	<b>\$0.00</b>
	<b>3rd year</b>	<b>\$0.00</b>
	<b>Total</b>	<b><u>\$1,662,637.85</u></b>

<b>Total Amount Abated (Local/County Only):</b>	<b>1st year</b>	<b>\$1,058,042.27</b>
	<b>2nd year</b>	<b>\$0.00</b>
	<b>3rd year</b>	<b>\$0.00</b>
	<b>Total</b>	<b><u>\$1,058,042.27</u></b>

<b>First Year Purchase</b>	<b>\$30,229,779.00</b>
<b>Second Year Purchase</b>	<b>\$0.00</b>
<b>Third Year Purchase</b>	<b>\$0.00</b>