



**STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division**

209 E. Musser Street, Room 200 | Carson City, NV 89701-4298
Phone: (775) 684-0222 | www.budget.nv.gov | Fax: (775) 684-0260

**ENERGY-RELATED TAX INCENTIVE FISCAL NOTE
FOR
Tungsten Project
ORNI 43, LLC – Ormat Nevada, Inc.
Churchill County, NV
as required by NRS 701A.375-1(a)**

February 8, 2016

Prepared by: Susanna Powers for James R. Wells, CPA, Governor's Finance Office Director

Based on the information submitted by the applicant and provided to the Governor's Finance Office by the Nevada State Office of Energy, the Budget Division estimates that the energy-related sales and use tax incentives provided to the ORNI 43, LLC/Ormat Nevada Inc. Tungsten project for the development and operation of a geothermal power generation facility in Churchill County, Nevada, will result in the State foregoing the following revenues:

STATE SALES AND USE TAX ABATED —

The ORNI 43, LLC/Ormat Nevada, Inc. Tungsten project application indicates they will purchase items subject to Nevada's 2.0% state sales and use tax totaling \$51,740,000. Given this information, the General Fund will be impacted by an abatement totaling \$1,034,800, less any applicable collection allowance.

<u>Fiscal Year</u>	<u>Expenditure Subject to Abatement</u>	<u>Amount Abated</u>
FY 2016	\$ 51,740,000	\$ 1,034,800
FY 2017	\$ 0	\$ 0
FY 2018	\$ 0	\$ 0
Total	\$ 51,740,000	\$ 1,034,800