



STATE OF NEVADA

JOE LOMBARDO
Governor

DEPARTMENT OF TAXATION

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FISCAL IMPACT **Renewable Energy Partial Abatement of Sales/Use Taxes** **April 8, 2025**

Dry Lake East Energy Center LLC

In accordance with the provisions NRS 701A of the Nevada Revised Statutes, Dry Lake East Energy Center 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, Dry Lake East Energy Center LLC will purchase a total of \$361,270,071.82 worth of tangible personal property subject to Sales and/or Use Tax during the first year of the abatement period. At the current Sales and/or Use Tax rate for Clark County, the full Sales Tax for these purchases would be \$30,256,452.26 less any applicable collection allowance.

According to Schedule 7 of this application form, Dry Lake East Energy Center LLC will purchase \$2,050,000.00 worth of tangible personal property subject to Sales and/or Use Tax during the second year of the abatement period. Schedule 8 shows \$2,050,000.00 worth 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	
	8.375%	2025	2026	2027	Total
Sales/Use Tax (General Fund)	2.000%	7,225,421.44	41,000.00	41,000.00	7,307,421.44
Local School Support Tax*	2.600%	9,393,047.87	53,300.00	53,300.00	9,499,647.87
Basic City-County Relief	0.500%	1,806,355.36	10,250.00	10,250.00	1,826,855.36
Supplemental City-County Relief	1.750%	6,322,243.76	35,875.00	35,875.00	6,393,993.76
County Option	1.525%	5,509,383.85	31,262.50	31,262.50	5,571,908.85

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

Total Amount Abated

1st Year

\$7,225,421.44

(State & Local/County):	2nd year	\$41,000.00
	3rd Year	\$41,000.00
	Total	<u>\$7,307,421.44</u>
Total Amount Abated (Local/County Only):	1st Year	\$13,637,982.96
	2nd year	\$77,387.50
	3rd Year	\$77,387.50
	Total	<u>\$13,792,757.96</u>

First Year Purchases	\$361,271,071.82
Second Year Purchases	\$2,050,000.00
Third Year Purchases	\$2,050,000.00

County	Clark
Sales Tax Rate	8.375%
Full Sales Tax	
First Year	\$30,256,452.26

Sales/Use Tax	
General Fund	2.000%
Local School	
Support Tax	2.600%
Basic City-County	
Relief Tax	0.500%
Supplemental City-County	
Relief Tax	1.750%
County Option	1.525%