

EXECUTIVE AGENCY
 FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 28, 2003

Agency Submitting: Division of Assessment Standards, Department of Taxation

Items of Revenue or Expense, or Both	Fiscal Year 2002-03	Fiscal Year 2003-04	Fiscal Year 2004-05	Effect on Future Biennia
Revenue Loss to State (Revenue)				
Revenue Loss to Local Governments (Revenue)				
Administrative expense (Expense)				
Total				\$0

Explanation (Use Additional Sheets of Attachments, if required)

The overall tax revenue loss to state and local governments is minor. However, the requirements of the bill constitute a major tax shift among county jurisdictions. The Division found three potential electric projects in counties of less than 100,000 population. The Division first calculated the value of the projects under the requirements of NRS 361.320(5), and assumed under Scenario 1 for the Lincoln project that all sales of electricity would be made out-of-state and for the other two projects that all sales would be made in-state. Under Scenario 2, all three projects were assumed to have sales in-state. The difference has to do with whether the wire-miles used to calculate allocation are based on just transmission or distribution lines, or both. In addition, the Division assumed that "facility" means only the generation portion of the project, and that electricity generated would tie into transmission and distribution systems owned by others.

As the attached spreadsheet shows, the Lincoln project results in about \$3 million tax dollars shifted from Clark County to Lincoln County; the White Pine Wind Power project results in about \$561,000 shifted from the northern counties on the Sierra Pacific Power grid to White Pine county; and the Nye County Cogen project results in about \$223,000 shifted from the northern counties on the Sierra Pacific Power grid to Nye County. The amount of revenue collected for the State Debt Fund remains largely unchanged.

Name DinoDiCianno
 Title Deputy Executive Director

DEPARTMENT OF ADMINISTRATION'S COMMENT

Date April 01, 2003

The Agency estimate of no fiscal impact appears to be reasonable.

Name John P. Comeaux
 Title Director Dept of Admin.

**Estimated Revenue Loss and Gain
By County**

Scenario 1: Lincoln Project sells electricity out of state; the others sell electricity in-state.

County/ Project	Lincoln Project			White Pine Wind Power			Nye County Cogen			Estimated Tax Difference	Total Estimated Tax Difference
	Estimated Taxes Before	Estimated Taxes After	Estimated Tax Difference	Estimated Taxes Before	Estimated Taxes After	Estimated Tax Difference	Estimated Taxes Before	Estimated Taxes After	Estimated Tax Difference		
Carson City				\$ 14,240	\$ -	\$ (14,240)	\$ 6,417	\$ -	\$ (6,417)	\$ (20,657)	
Churchill				\$ 25,847	\$ -	\$ (25,847)	\$ 11,641	\$ -	\$ (11,641)	\$ (37,488)	
Clark	\$ 2,960,864	\$ -	\$ (2,960,864)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,960,864)	
Douglas				\$ 19,289	\$ -	\$ (19,289)	\$ 8,687	\$ -	\$ (8,687)	\$ (27,976)	
Elko				\$ 32,976	\$ -	\$ (32,976)	\$ 14,852	\$ -	\$ (14,852)	\$ (47,828)	
Esmeralda				\$ 10,769	\$ -	\$ (10,769)	\$ 4,850	\$ -	\$ (4,850)	\$ (15,619)	
Eureka				\$ 5,284	\$ -	\$ (5,284)	\$ 2,380	\$ -	\$ (2,380)	\$ (7,664)	
Humboldt				\$ 30,407	\$ -	\$ (30,407)	\$ 13,695	\$ -	\$ (13,695)	\$ (44,102)	
Lander				\$ 36,435	\$ -	\$ (36,435)	\$ 16,410	\$ -	\$ (16,410)	\$ (52,845)	
Lincoln	\$ 611,950	\$ 3,671,700	\$ 3,059,750	\$ -	\$ -	\$ (45,097)	\$ -	\$ -	\$ (20,311)	\$ (65,408)	
Lyon				\$ 45,097	\$ -	\$ (45,097)	\$ 20,311	\$ -	\$ (20,311)	\$ (65,408)	
Mineral				\$ 23,008	\$ -	\$ (23,008)	\$ 10,362	\$ -	\$ (10,362)	\$ (33,370)	
Nye				\$ 29,168	\$ -	\$ (29,168)	\$ 13,137	\$ 223,163	\$ 210,026	\$ 180,858	
Pershing				\$ 30,616	\$ -	\$ (30,616)	\$ 13,789	\$ -	\$ (13,789)	\$ (44,405)	
Storey				\$ 48,838	\$ -	\$ (48,838)	\$ 2,179	\$ -	\$ (2,179)	\$ (51,017)	
Washoe				\$ 127,851	\$ -	\$ (127,851)	\$ 57,581	\$ -	\$ (57,581)	\$ (185,432)	
White Pine				\$ 4,462	\$ 561,960	\$ 557,498	\$ 2,009	\$ -	\$ (2,009)	\$ 555,489	

**Estimated Revenue Loss and Gain
By County**

Scenario 2: All projects sell power in-state

County/ Project	Lincoln Project			White Pine Wind Power			Nye County Cogen			Total Estimated Tax Difference
	Estimated Taxes Before	Estimated Taxes After	Estimated Tax Difference	Estimated Taxes Before	Estimated Taxes After	Estimated Tax Difference	Estimated Taxes Before	Estimated Taxes After	Estimated Tax Difference	
Carson City				\$ 14,240	\$ -	\$ (14,240)	\$ 6,417	\$ -	\$ (6,417)	\$ (20,657)
Churchill				\$ 25,847	\$ -	\$ (25,847)	\$ 11,641	\$ -	\$ (11,641)	\$ (37,488)
Clark	\$ 3,988,350	\$ -	\$ (3,988,350)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,988,350)
Douglas				\$ 19,289	\$ -	\$ (19,289)	\$ 8,687	\$ -	\$ (8,687)	\$ (27,976)
Elko				\$ 32,976	\$ -	\$ (32,976)	\$ 14,852	\$ -	\$ (14,852)	\$ (47,828)
Esmeralda				\$ 10,769	\$ -	\$ (10,769)	\$ 4,850	\$ -	\$ (4,850)	\$ (15,619)
Eureka				\$ 5,284	\$ -	\$ (5,284)	\$ 2,380	\$ -	\$ (2,380)	\$ (7,664)
Humboldt				\$ 30,407	\$ -	\$ (30,407)	\$ 13,695	\$ -	\$ (13,695)	\$ (44,102)
Lander				\$ 36,435	\$ -	\$ (36,435)	\$ 16,410	\$ -	\$ (16,410)	\$ (52,845)
Lincoln	\$ 37,466	\$ 3,671,700	\$ 3,634,234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,634,234
Lyon				\$ 45,097	\$ -	\$ (45,097)	\$ 20,311	\$ -	\$ (20,311)	\$ (65,408)
Mineral				\$ 23,008	\$ -	\$ (23,008)	\$ 10,362	\$ -	\$ (10,362)	\$ (33,370)
Nye				\$ 29,168	\$ -	\$ (29,168)	\$ 13,137	\$ 223,163	\$ 210,026	\$ 180,858
Pershing				\$ 30,616	\$ -	\$ (30,616)	\$ 13,789	\$ -	\$ (13,789)	\$ (44,405)
Storey				\$ 48,838	\$ -	\$ (48,838)	\$ 2,179	\$ -	\$ (2,179)	\$ (51,017)
Washoe				\$ 127,851	\$ -	\$ (127,851)	\$ 57,581	\$ -	\$ (57,581)	\$ (185,432)
White Pine				\$ 4,462	\$ 561,960	\$ 557,498	\$ 2,009	\$ -	\$ (2,009)	\$ 555,489