

# FISCAL NOTE

Requested by Legislative Council  
01/18/2005

Bill/Resolution No.: SB 2238

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

SB 2238 provides a tax credit against gross receipts or corporate income taxes for electricity purchased by a cooperative or corporation from a school district and generated by a wind turbine owned by the school district. The credit is equal to the difference between the amount paid to the school district for electricity and the amount that the cooperative or corporation would have paid in the open market for the same amount of electricity.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

It is not possible to estimate the negative fiscal impact of this bill because we do not know how many kilowatt hours may qualify, what the purchase price will be, nor what the open market price would be. Any gross receipts tax credit resulting from SB 2238 will reduce the revenue distributed to all the taxing districts in which the cooperative has power lines. Any corporate income tax credit resulting from SB 2238 will reduce state general fund revenues.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

**Name:** Kathryn L. Strombeck

**Agency:** Office of Tax Commissioner

**Phone Number:** 328-3402

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