

# FISCAL NOTE

S.B. 250 1st Sub. (Green)

SHORT TITLE: Sales and Use Tax Exemption for Sales of a Fuel Cell

SPONSOR: Okerlund, R. (Okerlund, R. Sub.)

2013 GENERAL SESSION

## STATE GOVERNMENT (UCA 36-12-13(2)(b))

Enactment of this bill forgoes \$4,700 in sales tax revenue per \$100,000 in FY 2014 sales. A 100 kW project may cost about \$750,000 in taxable sales, forgoing approximately \$35,000 in sales tax revenue. Actual forgone revenue will depend on the amount of fuel cells purchased each year.

## LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Enactment of this bill forgoes about \$2,100 in local sales tax revenue per \$100,000 in FY 2014 sales. A 100 kW project may cost about \$750,000 in taxable sales, forgoing approximately \$16,000 in sales tax revenue. Actual forgone revenue will depend on the amount of fuel cells purchased each year.

## DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

By forgoing sales tax, enactment of this bill reduces what otherwise would have been \$6,800 in sales tax liability per \$100,000 FY 2014 taxable sales.

## PERFORMANCE NOTE (JR 4-2-404): Not Required