



Fiscal Note
S.B. 102 2nd Sub. (Salmon)
 2016 General Session
 High Cost Infrastructure Tax Credit
 Amendments
 by Okerlund, R. (Okerlund, Ralph.)



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$(14,004,100)	\$14,000,000	\$(4,100)

State Government

UCA 36-12-13(2)(b)

For certain businesses investing in high-cost infrastructure that generates new revenue, this bill increases how quickly tax credits can be paid. Presuming 3 investments per year, this bill may accelerate \$5 million of an estimated \$8 million in annual credits into an earlier fiscal year. The actual amount and year will depend upon decisions not yet made. For fuel standard compliance projects, this bill may reduce revenue to the Education Fund by \$14 million beginning in FY 2021, over time decaying to \$0 once all the tax credits have been used.

Revenues	FY 2016	FY 2017	FY 2018
Education Fund	\$0	\$(14,000,000)	\$(14,000,000)
Education Fund, One-Time	\$0	\$14,000,000	\$14,000,000
Total Revenues	\$0	\$0	\$0

Enactment of this bill could cost the Office of Energy Development \$4,100 annually from the General Fund beginning in FY 2017 for mileage and per diem for more frequent board meetings.

Expenditures	FY 2016	FY 2017	FY 2018
General Fund	\$0	\$4,100	\$4,100
Total Expenditures	\$0	\$4,100	\$4,100

Net All Funds	\$0	\$(4,100)	\$(4,100)
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Local Government

UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

Individuals & Businesses

UCA 36-12-13(2)(d)

This bill increases how quickly certain businesses with eligible high cost projects might receive tax credits for new revenue generating capacity. Presuming 3 investments per year, this bill may accelerate \$5 million of an estimated \$8 million in annual credits into an earlier fiscal year. For fuel standard compliance projects, assuming one per year, this bill may reduce corporate, individual, and sales tax liability by \$14 million beginning in FY 2021, decaying to \$0 once all the tax credits have been used.

No performance note required for this bill

Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.