(prepare in triplicate)

FISCAL NOTE

prepared in regard to
HOUSE BILL 1221
(List bill or resolution and number, if available, or subject)
Amendment to:
(List bill or resolution and number
Requested by: Legislative Council Date of receipt: Jan. 16, 1975
In the following space note the fiscal effect in dollars of
the legislative proposal. If additional space is needed, attach a
supplementary sheet. (Please type)
1. Assuming that Basin Electric's Leland Olds Units 1 & 2 are considered to comprise one plant; House Bill 1221 would reduce the state General Fund by \$116,875 for the 1975-77 Biennium. (See Exhibit 1.)
2. If Basin Electric's Leland Olds Unit 2 is assumed to be a separate, new plant; House Bill 1221 would have no effect on the state General Fund for the 1975-77 Biennium. (See Exhibit 2.)
3. See Exhibit 3 for an estimate of this bill's revenue impact for fiscal year 1984 by which time all plants presently granted water permits will be in full operation and taxable under the full extent of present law.
Date of preparation: Jan. 20, 1975
Signed Carr Merchanth
Typed Name- Clair W. Cudworth
Department State Tax Department

EXHIBIT 1

(Units 1 & 2 are considered to be one plant)

UNDER PROPOSED HOUSE BILL 1221

PLANT, LOCATION, 6 OPERATIONAL DATE Basin Electric - Leland Olds Plant, Units 1 & 2 Unit 2 goes on line July 1, 1975 FISCAL YEAR 1976 (Collections for production in calendar year 1974) FISCAL YEAR 1977 (Collections for production in calendar year 1975) 845c/kwh 2,271,000,000 \$19,189,950 \$1383,799 \$237,849 \$145,950 \$2383,799 \$237,849 \$145,950 \$222,500 \$161,299 \$120,974 \$40,325 **Plant Value = \$155,000,000 **Tiscal Value = \$155,000,000 **Plant Value = \$155,000,000 **Tiscal Value = \$155,000,000 **Plant Value = \$155,000,000 **Tiscal Value = \$1								TAX = 27 of Gross	Wacainte Lacel	ATTOCA	TTOM
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PLANT, LOCATION, 5 OPERATIONAL DATE REVENUE (kllowatt hrs) GROSS RECEIPTS REVENUE (kllowatt hrs) GROSS RECEIPTS R								Local Ad Valor	em laxes Pald		
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Basin Electric - Leland Olds Flant, Units 1 & 2 Unit 2 goes on line July 1, 1975 FISCAL YEAR 1976 (Collections for production in calendar year 1974) .712c/kwh Fiscal Year 1974 collections would not be affected by this bill. FISCAL YEAR 1977 (Collections for production in calendar year 1975) .845c/kwh 2,271,000,000 \$19,189,950 \$383,799 \$237,849 \$145,950 \$222,500 \$161,299 \$120,974 \$40,325	PLANT, LOCATION, &										
Olds Plant, Units 1 & 2 Unit 2 goes on line July 1, 1975 FISCAL YEAR 1976 (Collections for production in calendar year 1974) FISCAL YEAR 1977 (Collections for production in calendar year 1975)	OPERATIONAL DATE	REVENUE	(kilowatt hrs)	GROSS RECEIPTS	RECEIPTS	(Gen.Fund)	County	Local Tax*	State Tax	(75%)	(25%)
Olds Plant, Units 1 & 2 Unit 2 goes on line July 1, 1975 FISCAL YEAR 1976 (Collections for production in calendar year 1974) FISCAL YEAR 1977 (Collections for production in calendar year 1975)											
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*Plant Value = \$155,000,000 x 17.4%(average true assessment) x 10% (maximum to be considered real property) x 50% (to get taxable valuation)	year 1975)	.845¢/kwh	2,271,000,000	\$19,189,950	\$383,799	\$237,849	\$145,950	\$222,500	\$161,299	\$120,974	\$40,325
x 17.4%(average true assessment) x 10% (maximum to be considered real property) x 50% (to get taxable valuation)											
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x 17.4%(average true assessment) x 10% (maximum to be considered real property) x 50% (to get taxable valuation)				*				*Plant Value =	\$155 000 000		
x 10% (maximum to be considered real property) x 50% (to get taxable valuation)											
x 50% (to get taxable valuation)											
						1					property)
x 165 mills (average statewide mill rate)											
Tes milio (dvelage seatewide mili late)								x 165 mills	(average statewi	de mill ra	ate)
									* 1		
	•				1						

EXHIBIT 2

(Unit 2 is to be considered a separate, new plant)

			UNDER PROPOSED HOUSE BILL 1221							
							TAX = 2% of Gross Rec		ALLUCA	
				UNDF	ER PRESENT	LAW	Local Ad Valorem 1	Taxes Paid	of Stat	
				TAX = 1%	ALLUC	ATION			General	Impact
7 107771007		NET PRODUCTION	ESTIMATED	OF GROSS	State				Fund	Commission
PLANT, LOCATION, &	REVENUE	(kilowatt hrs)	GROSS RECEIPTS	RECEIPTS	(Gen.Fund)	County	Local Tax* Sta	ate Tax	(75%)	(25%)
OPERATIONAL DATE								1		
Basin Electric - Leland Olds Plant, Unit 2			•							
Unit 2 goes on line										
July 1, 1975										
FISCAL YEAR 1976									*	
(Collections for production in calendar						· · · · · · · · · · · · · · · · · · ·	1, - 1, -11		a.	
year 1974)	.712¢/kwh	Fiscal Y	Kear 1974 collect	fibns would	not be at	ected by t	inis bill.			
				11		* 4 .				
FISCAL YEAR 1977										•
(Collections for production in calendar									-	
year 1975)	.845¢/kwh	771,000,000	\$6,514,950	\$65,150		\$65,150	\$172,260			
							177	00 000 000		
					ì		*Plant Value = \$1	20,000,000	mont	
							x 17.4% (average x 10% (maximum t	tiue asses	ared real	nronerty)
							x 50% (to get ta	xable valua	tion)	propercy
							x 165 mills (ave	rage statew	ide mill r	ate)
							. 203			,
					1					
									-	
				11	1		1 i			

EXHIBIT 3

(Estimates for FY-1984)

							UNDER PROPOSED HOUSE BILL 1221				
							TAX = 2% of Gros	s Receipts Less	ALLOCAT	TON	
				UNDER PRESENT LAW				orem Taxes Paid	of State Tax		
				TAX = 2% 1	ALLOCA		Bocks Ind 762	7	General	Impact	
						TITON				Commission	
PLANT, LOCATION, &		NET PRODUCTION	ESTIMATED	OF GROSS	State						
OPERATIONAL DATE REV	ENUE	(kilowatt hrs)	GROSS RECEIPTS	RECEIPTS	Gen.Fund)	County	Local Tax *	State Tax	(75%)	(25%)	
I. ELECTRICAL GENERATION			•			OH T					
A. Cooperatives:				~ ~			-				
1. BASIN ELECTRIC **			•								
Stanton, July 1, 1975 1.0	0¢/kwh	4.3 billion	\$43,000,000	\$860,000	\$595,000	\$265,000	\$ 181,700	\$ 678,300	\$ 508,725	\$ 169,575	
•							,				
2. MINNKOTA			*								
Center, May 1,											
1977	0¢/kwh	3.2 billion	32,000,000	640,000	430,000	210,000	212,020	427,980	320,985	106,995	
			, , ,			į					
					,						
3. UPA-CPA											
Underwood,											
	Oc/kwh	6.0 billion	60 000 000	1 200 000	850,000	250 000	506 700	(02 270	452,452	150,818	
1978 & 1979	U¢/kwn	6.0 billion	60,000,000	1,200,000	830,000	350,000	596,730	603,270	452,452	130,010	
	.*										
(tai	lgate				-						
	rice)										
ii. oom omiiiaiiion p	1100)										
A. MICHIGAN-WISCONSIN						1					
	0.0 /2. 0										
Beulah-Hazen, 1981 \$4	.00/Mcf							000	1, 22/ 100	A1 /// 720	
		cubic feet	364,000,000				\$1,501,080	\$5,778,920	\$4,334,190	\$1,444,730	
					İ						
							*Plant Value	(assumes 2.5% pe	et year depr	eciation)	
**Units 1 and 2 are considered to be one plant.							x 17.4% (average true assessment)				
		-					x 10% (maxim	um to be conside	eted real nr	onerty)	
								taxable valuati		oper cy)	
						-		taxable valuati (average statewi		e)	
							X 100 mills	(average statew.	The mill rac	-,	
			-	1	1	į.			1		

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