

**FISCAL NOTE**

	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Revenue increase/(decrease)			
GENERAL FUND (elect. gen.)	\$29,800,000	\$59,600,000	\$59,600,000
LOCAL SOURCES FUND (elect. gen.)	\$13,200,000	\$26,400,000	\$26,400,000
GENERAL FUND (tax exemption)	(\$11,050,000)	(\$22,100,000)	(\$22,100,000)
LOCAL SOURCES FUND (tax exemption)	(\$10,650,000)	(\$21,300,000)	(\$21,300,000)
GENERAL FUND (wind tax repeal)	\$0	(\$1,720,000)	(\$1,720,000)
COUNTY DIST. (wind tax repeal)	\$0	(\$2,580,000)	(\$2,580,000)

Sources of revenue increase (decrease):

This bill creates an electricity generation excise tax on 1) the purchaser sales price of all electricity generated in Wyoming from any fuel, source or resource, 2) the purchaser sales price from the sale of electricity sold or generated in Wyoming, regardless of the site of generation or the fuel, source or resource used to generate the electricity, or 3) the price of electricity that an electric public utility located in Wyoming is paid to accept and take for electricity that is imported into Wyoming.

This bill creates a sales and use tax exemption for sales and uses of electricity subject to the proposed generation tax.

The bill repeals the current taxes on the production of electricity from wind resources and the production of electricity from nuclear reactors.

This bill is effective January 1, 2025.

**Assumptions:**

The revenue increase from the electricity generation excise tax is based calendar year 2022 Wyoming electricity generation and sales data from the Energy Information Administration (EIA). The tax at the 2.25 percent rate is estimated at approximately \$86 million per year. The revenue increase is estimated at one-half this amount (\$43 million) in FY 2025 because of the January 1, 2025 effective date. The proposed tax will be distributed 69 percent to the General Fund with the remaining share distributed to local governments after deducting 1 percent for administration.

The revenue decrease from the sales and use tax exemption on electricity is estimated at approximately \$43.4 million per year, based on FY23 taxable sales and a combined sales tax rate of 5.48 percent. The revenue decrease is estimated at one-half this amount (\$21.7 million) in FY 2025 because of the January 1, 2025 effective date.

Electricity generation-equity and consumer protection.

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The revenue decrease from the repeal of the tax on electricity from wind resources is estimated at approximately \$4.3 million per year, based on the wind generation taxes collected in FY 2022 and FY 2023. This revenue decrease will begin in FY 2026 because of the January 1, 2025 effective date.

There is no revenue decrease from the repeal of the tax on electricity from nuclear reactors. No tax on electricity from nuclear reactors has been reported or collected to date.

This bill will result in a net annual increase in revenues to the General Fund of \$18,750,000 in FY 2025, and \$35,780,000 in FY 2026 and FY 2027. This bill will also result in a net annual increase in revenues to local governments of \$2,550,000 in FY 2025 and \$2,520,000 in FY 2026 and FY 2027.

**NOTICE-AGENCY ESTIMATE OF ADMINISTRATIVE IMPACT REQUESTED**

This bill has administrative impact that appears to increase duties or responsibilities of one or more state agencies and may impact agency spending or staffing requirements. As introduced, the bill does not modify any state agency budget or current personnel authorizations.

The following state agencies will be asked to provide their estimate of the administrative fiscal impact prior to the first committee meeting held to consider the bill:

Department of Revenue

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