

Cogeneration Facilities and Renewable Resources

JLARC Staff 2017 Tax Preference Performance Evaluation

Public Utility Tax Preference

Objective (stated)

Encourage efficient energy use and a reliable supply of energy from renewable energy resources.

Results

Not Currently Contributing. Taxpayers have not claimed the preference since 2013.

Preference is time-limited but has no expiration date

Applies to new facilities or efficiency measures that started construction or installation between June 12, 1980 and January 1, 1990.



No utilities have claimed the preference since 2013

Department of Revenue tax records indicate:

Number of utilities claiming preference has declined since 1996 when 23 reported the deduction.

No taxpayers currently claim the preference.

Legislative Auditor recommendation: **Terminate**

The Legislature should add an expiration date to terminate this preference because it is not currently being used and there will be no remaining eligible taxpayers within a few years.

The complete report is on the JLARC web site.

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