

STATEMENT OF PURPOSE

RS33148 / H0609

This legislation amends the sales tax exemption for data centers in four key ways: 1) adds two additional criteria for qualification for the exemption related to energy and water consumption, 2) narrows the original sales tax exemption to only be applicable to the internal servers, 3) prohibits data centers that opt-in to the sales tax exemption from also claiming the property tax exemption in 63-4502, and 4) adds a sunset date of July 1, 2036 to this sales tax exemption in order to allow for an analysis of the effects of the exemption and data centers on Idaho's economy, energy resources, and water resources.

FISCAL NOTE

If new data centers meeting the criteria are built in Idaho, this legislation could produce an increase in sales tax revenue to the state general fund through construction activities.

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).