

# Coal Conversion Facility Privilege Tax

- Electrical Generating Plants Claiming Carbon Dioxide Capture Credit -  
(North Dakota Century Code ch. 57-60)  
Effective after December 31, 2009

Report for month of \_\_\_\_\_, 20 \_\_\_\_\_

For electrical plant located in the County of \_\_\_\_\_

Plant Owner \_\_\_\_\_ FEIN \_\_\_\_\_ Name of Plant \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Date of first capture of carbon dioxide emission \_\_\_\_\_

Individual to whom questions concerning this report should be directed:

Name \_\_\_\_\_ Title \_\_\_\_\_ Phone No. \_\_\_\_\_

Email address \_\_\_\_\_

Address (if different from above) \_\_\_\_\_

**Please Complete Schedule A on back before proceeding (See instructions)**  
**Tax Computation Schedule**

	<u>County</u>	<u>State General Fund</u>
1. Tax on Installed Capacity: (Schedule A line 7).....	\$ _____	
2. Distribution of amount on line 1 - 15% County, 85% SGF .....	\$ _____	\$ _____
3. Tax on Production: (Schedule A line 12).....	\$ _____	
4. Distribution of amount on line 3 - 100% SGF .....		\$ _____
5. Tax Distribution to County (line 2) .....	\$ _____	
6. Tax Distribution to State General Fund Before Credit (line 2 + line 4).....		\$ _____
7. Less 5% to lignite research fund (line 6 x .05).....		\$ _____
8. State General Fund minus lignite research fund share (line 6 minus line 7).....		\$ _____
9. Percent of CO <sub>2</sub> emissions captured during the report month .....	_____ %	
(Provide supporting documentation)		
10. Percent reduction allowed because of CO <sub>2</sub> capture.....	_____ %	
(State General Fund distribution only - 50% maximum)		
11. Dollar reduction allowed because of CO <sub>2</sub> capture (line 8 times line 10) .....		\$ _____
12. State General Fund Tax Distribution after CO <sub>2</sub> capture credit (line 6 minus line 11) .....		\$ _____
13. TAX DUE (line 5 plus line 12) .....		\$ _____

Signature of Authorized Person \_\_\_\_\_

Date \_\_\_\_\_

**Please Do Not Write In This Space**

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### Schedule A

1.	Installed capacity (kilowatts) .....	_____	
2.	Multiplier .....	.60 (60%)	
3.	Line 2 times line 1.....	_____	
4.	_____ days in production month times 24 hours .....	_____	
5.	Line 3 times line 4.....	_____	
6.	Tax rate.....	\$0.00065	
7.	TAX - Line 6 times line 5 .....		\$ _____
8.	Gross generation - kwh of electricity.....	_____	
9.	Less: Energy used within the plant (station service).....	_____	
10.	Electricity available for sale (Line 8 less line 9).....	_____	
11.	Rate per kilowatt hour.....	\$0.00025	
12.	TAX - Line 11 times line 10 .....		\$ _____
13.	TOTAL TAX - Line 7 plus line 12.....		\$ _____

### Instructions

#### Schedule A

North Dakota Century Code ch. 57-60 requires each electrical generating plant which processes or converts coal into electrical power and which has at least one single electrical energy generation unit with a capacity of 10,000 kilowatts or more to file a monthly report and remit a tax which is the sum of two separate calculations, one based on installed capacity and one on kilowatt hours of electricity produced for the purpose of sale. The report, with appropriate tax, is to be filed in the Office of the State Tax Commissioner, 600 E. Boulevard Ave., Dept, 127, Bismarck, North Dakota 58505-0599 within twenty-five days after the end of the month for which it is made.

A separate report is required for each county in which an electrical generating plant is located. If two or more units are located within the same county, a separate report is required for each unit.

Line 1: Installed capacity means the number of kilowatts a power unit can produce according to the nameplate assigned to the power unit generator by the manufacturer.

Line 8: Report the gross number of kilowatt hours produced by the electrical generating plant.

Line 9: Report the number of kilowatt hours produced by the plant which were consumed internally by the plant for purposes such as heating, lighting, or pollution control. Do not include power exchanged.

Line 10: This figure should correspond with the net generation as metered at the point at which electricity is fed into the system.

# Electrical Generating Plants Claiming Carbon Dioxide Capture Credit

## Tax Computation Schedule

Lines 1-4: Subsection 1 of N.D.C.C. § 57-60-14 states:

“The state treasurer shall no less than quarterly allocate all moneys received from all coal conversion facilities in each county pursuant to the provisions of this chapter, fifteen percent to the county and eighty-five percent to the state general fund, except moneys received from the tax imposed by subsection 3 of section 57-60-02. . .”

Line 7: N.D.C.C. § 57-60-14(1) states, in part:

“ . . . after June 30, 2009, five percent of all funds allocated to the state general fund pursuant to this chapter must be allocated to the lignite research fund. . .”

Lines 9-10: N.D.C.C. § 57-60-02.1 states, in part:

“A coal conversion facility that achieves a twenty percent capture of carbon dioxide emissions during a taxable period after December 31, 2009, is entitled to a twenty percent reduction in the state general fund share of the tax imposed under section 57-60-02 during that taxable period. The facility is entitled to an additional reduction of one percent of the state general fund share of the tax imposed under section 57-60-02 for every additional two percentage points of its capture of carbon dioxide emissions. A maximum fifty percent reduction of the state general fund share of the tax imposed under section 57-60-02 is allowed for eighty percent or more capture of carbon dioxide emissions. A coal conversion facility may receive the reduction in coal conversion tax under this section for ten years from the date of first capture of carbon dioxide emission or for ten years from the date the coal conversion facility is eligible to receive the credit.”

Line 10: Enter the appropriate percentage from the following table:

<u>CO<sub>2</sub> Emissions Captured</u>	<u>State General Fund Tax Reduction</u>	<u>CO<sub>2</sub> Emissions Captured</u>	<u>State General Fund Tax Reduction</u>
20%	20%	52%	36%
22%	21%	54%	37%
24%	22%	56%	38%
26%	23%	58%	39%
28%	24%	60%	40%
30%	25%	62%	41%
32%	26%	64%	42%
34%	27%	66%	43%
36%	28%	68%	44%
38%	29%	70%	45%
40%	30%	72%	46%
42%	31%	74%	47%
44%	32%	76%	48%
46%	33%	78%	49%
48%	34%	80% or more	50%
50%	35%		

A coal conversion facility may receive the reduction in coal severance tax for ten years from the date of first capture of carbon dioxide emission or for ten years from the date the coal conversion facility is eligible to receive the credit.