

competition and the restructuring of the electric and gas utility industries. The study shall be coordinated by the Department of Legislative Services. The report shall include:

(1) The overall effect on State and local revenues of the tax changes made under this Act;

(2) The overall impact of utility tax reform and retail electric competition and the restructuring of the electric utility industry on local government finances, including the actual effect of the property tax exemption under this Act on property tax revenues, effects on the property tax valuation of electric utility assets, including generation facilities as well as assets other than generation facilities, and electricity costs savings for local governments resulting from electric competition;

(3) The extent to which the revenue effects resulting from utility tax reform and electric competition have been or will be offset or otherwise affected by:

(i) Increases or decreases in growth of other local revenues, including in particular local income, property, and energy taxes and the effect of competition and restructuring of the electric utility industry on the valuation of generation assets and other electric utility assets;

(ii) Local government actions affecting local revenues, including tax rate increases or decreases, the repeal or restructuring of existing taxes, or the enactment of new taxes, and including in particular any changes regarding local energy taxes; or

(iii) Actions of the General Assembly increasing or decreasing State aid to local governments, mandating new local funding for programs or providing funding for programs previously funded by local governments, or otherwise affecting the burden on local government finances;

(4) The need for and adequacy of the State's partial reimbursements to the counties for the property tax exemptions, including the appropriate level and duration of the reimbursements for the future;

(5) The actual corporate income tax revenues collected from the electric and gas public service companies and their affiliates, including the cost to the State of the income tax credits for real property tax paid on generating facilities, and additional corporate income tax revenues collected from suppliers of gas and electricity other than public service companies;

(6) The effect of this Act on public service company franchise tax revenues, including, in regards to the overall level of taxation of electricity and gas consumption in the State as compared to other states and in regards to maintaining an appropriate level of State revenues from the public service company franchise tax:

(i) The appropriateness of the per kilowatt hour and per therm rates under the public service company franchise tax; and

(ii) The appropriateness and effect of including in the gross receipts tax base amounts representing transition costs recovery;